State of Oregon
Department of
Environmental
Quality

Oregon Department of Environmental Quality

and U.S. EPA Region 10

Performance Partnership Agreement

July 1, 2012 to June 30, 2014

Performance Partnership Agreement
Between the Oregon Department of Environmental Quality and the U.S. Environmental Protection Agency – Region 10

We are pleased to sign the Performance Partnership Agreement between Oregon DEQ and EPA.

DEQ and EPA have a joint commitment to ensure success of this PPA. Collaborative approaches to addressing environmental issues ensure efficient and focused use of resources and are essential to achieve environmental results. DEQ and EPA's partnership reflects an agreement to align and focus resources on priority work, and to make difficult choices about what work will not get done due to cuts in program funding and staffing.

Working in partnership to achieve our environmental goals, and making decisions regarding how best to employ our resources within the context of funding uncertainties, requires timely communication and collaboration. During this PPA the agencies' leadership will meet periodically to check in on our progress, identify issues and enhance our partnership.

Date: 7/3/12

Signed:

Dennis McLerran, Regional Administrator
U.S. EPA - Region 10

Date: June 26, 2012

Signed:

Dick Pedersen, Director
Oregon Department of Environmental Quality

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PERFORMANCE PARTNERSHIP AGREEMENT

PURPOSE AND SCOPE

This Performance Partnership Agreement describes how the Oregon Department of Environmental Quality and the U.S. EPA Region 10 will work together to protect Oregon's environment during the state fiscal years 2013 and 2014 that are from July 1, 2012 through June 30, 2014.

The PPA is an agreement documenting the commitments of EPA and DEQ regarding implementation of federally-delegated environmental programs, and is part of a wider effort called the National Environmental Performance Partnership System, an agreement between EPA and the Environmental Council of States (ECOS, the association of state environmental directors). The goal of NEPPS, and of PPAs, is to promote flexibility, accountability, and innovation in state/federal agreements regarding implementation of federal environmental programs delegated to states for operation. PPAs are intended to enhance protection of the environment by focusing attention on overall environmental protection goals and the actual results of efforts to achieve these goals, not on government programs and the number of actions taken.

EPA and the states, through ECOS, are working together to reaffirm the NEPPS principles of *joint* planning and priority setting processes, and providing flexibility to allocate scarce resources to address the highest environmental and public health priorities, particularly in light of continued declining federal revenues. The NEPPS model being discussed by EPA and the states is one of co-governance, embracing and redefining the collaborative relationship between states and EPA, promoting allocation of resources to address state and regional priorities, and encouraging the use of best practices and innovative strategies to maximize environmental results.

The PPA appendices contain program-specific work plans for Air Quality, Hazardous Waste, and Water Quality that describe the joint priority work to be accomplished during state fiscal years 2013 and 2014.

This PPA also serves as the work plan for the Performance Partnership Grant covering state fiscal years 2013 and 2014. A PPG allows for a number of grants to be combined into one flexible grant package that reduces administrative burden and enhances efficiency by consolidating several grants into one. This allows states the flexibility to direct resources to the highest environmental and public health priorities.

Grants from the following program authorities are included in this agreement and are combined in the PPG:

- Clean Air Act, Section 105
- Clean Water Act, Section 319 (partial grant)
- Clean Water Act, Section 106
- Resource Conservation and Recovery Act, Section 3011
- Safe Drinking Water Act – Underground Injection Control, Section 1443(b)(1)

STRATEGIC PRIORITIES

EPA and DEQ staff members were guided in these PPA negotiations by their respective national program guidances, strategic plans and priorities, and other agreements. DEQ's 2012 strategic priorities and EPA's national goals for 2011-2015 share similar objectives that achieve the requirements of CAA, CWA and RCRA with limited resources. DEQ and EPA will continue to improve collaboration and integration of joint

strategic planning efforts, including resources, to achieve the highest overall environmental benefits specific to Oregon.

EPA's Strategic Priorities

EPA submitted a strategic plan on September 30, 2010 to the Congress and to the Office of Management and Budget. The Plan identifies five strategic goals to guide the Agency's work:

- Goal 1: Taking Action on Climate Change and Improving Air Quality
- Goal 2: Protecting America's Waters
- Goal 3: Cleaning Up Communities and Advancing Sustainable Development
- Goal 4: Ensuring the Safety of Chemicals and Preventing Pollution
- Goal 5: Enforcing Environmental Laws

The Plan also introduces the following five cross-cutting fundamental strategies which set clear expectations for changing the way EPA does business in achieving its results.

- Expanding the conversation on environmentalism
- Working for environmental justice and children's health
- Advancing science, research, and technological innovation
- Strengthening state, tribal, and international partnerships
- Strengthening EPA's workforce and capabilities

EPA's national strategic plans and guidance are available at http://www.epa.gov/ocfo/. In addition EPA Administrator Lisa Jackson laid out the following seven key themes to focus the work of EPA.

- Taking action on climate change
- Improving air quality
- Assuring the safety of chemicals
- Cleaning up our communities
- Protecting America's waters
- Expanding the conversation on environmentalism and working for environmental justice
- Building strong state and tribal partnerships

As an example of how national priorities are implemented in the states, Administrator Jackson's priority to "expand the conversation on environmentalism and work for environmental justice" will lend support for the continued development of environmental justice programs in Oregon. EPA Region 10 is committed to working closely with our state partners to identify additional opportunities and support necessary to ensure DEQ is able to address environmental justice issues in Oregon. Region 10 environmental justice staff will work closely with the environmental justice and program staff at DEQ to enhance environmental justice program implementation in Oregon by engaging in activities that foster joint collaboration with federal, state, and local agencies as well as members of our most vulnerable communities.

In November 2011 EPA Region 10 published a document titled "National Priorities with a Local Focus; Region 10's Approach for Implementing Administrator Jackson's Seven Priorities." In the cover letter to this document EPA Regional Administrator Dennis McLerran said "… we have set out objectives and actions to meet each priority. By organizing our objectives around the Administrator's priorities, we are working as One EPA toward our collective mission of protecting human health and the environment.

EPA Region 10 strives to integrate state and regional priorities with EPA's national strategic planning objectives. EPA Region 10's document describing how the national priorities will be implemented in region

10 and a progress report is available at http://yosemite.epa.gov/R10/extaff.nsf/reports/regional-strategy or by request. Here are some examples of actions EPA Region 10 will take toward meeting the strategic priorities. EPA will:

- Work to reduce greenhouse gas (GHG) emissions and develop adaptation strategies to address climate change in the Pacific Northwest (PNW) and Alaska.
- Provide scientific data on projected climate change impacts to inform decisions that will help reduce infrastructure vulnerability, build ecosystem resilience, and protect and restore critical ecological functions, as well as identify opportunities for reducing GHG emissions.
- Enforce air toxics rules, including mobile source rules and provide technical support and increased monitoring in communities when possible.
- Work with states, tribes, stakeholders and HQ to develop and implement air quality strategies to address new and existing NAAQS to protect public health and ecosystems.
- Enhance our efforts to prevent and reduce the risk of accidents at chemical and oil facilities throughout the Region to reduce the likelihood of releases and diminish the consequences of accidents.
- Implement pesticide regulatory reforms
- Work with Region 10 tribes to build their pesticide programs
- Enhance the PCB compliance and enforcement work through improvements in case initiation, tracking, conclusions and coordination with Resource Conservation and Recovery Act (RCRA) enforcement.
- Maintain the gains in clean water through permitting, compliance, updating water quality standards, developing Total Maximum Daily Loads (TMDLs), assessing and identifying waters that are impaired, managing grant dollars effectively, and finding effective ways to address and reduce the impacts from non-point sources.
- Address urban storm water pollution
- Work to engage and empower communities and partners that have been historically under-represented and disproportionately impacted.
- Work closely with state and tribal governments to assure that delegated programs meet federal standards.

Oregon DEQ's Strategic Priorities

DEQ's mission is to be a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water. The agency's vision is to work collaboratively with all Oregonians for a healthy and sustainable environment. DEQ's mission and Strategic Priorities provide a framework that guides the development of pollution prevention and control strategies, budget requests, grant applications, employee work plans and environmental reporting. DEQ's Strategic Priorities can be viewed at http://www.deq.state.or.us. More general information about DEQ is available at: http://www.oregon.gov/DEQ/about_us.shtml

Currently, DEQ's priorities focus on three themes: reducing toxics, improving water and creating a new business model for Oregon DEQ. Two of these priorities, reducing toxics and improving water, are directly targeted at environmental protection while the third priority, a new business model, provides an overarching framework to streamline the agency's environmental work. In addition, the following paragraphs highlight DEQ's continuing work to improve air quality, strive for environmental justice, improve tribal government relations and carry out compliance and enforcement.

Reducing Toxics

Oregon DEQ has developed an agency-wide toxics reduction strategy to guide its efforts in reducing toxics that pose the greatest risk to human health and the environment. The strategy emphasizes actions that reduce both conventional and toxic pollutants that have direct or indirect harmful impacts, and to involve partners to leverage efforts and effectiveness. Some strategies to reduce toxics, such as reducing fossil fuel combustion, offer additional co-benefits by diminishing greenhouse gases that contribute to climate change.

Improving Water

The availability of clean and healthy water is critical to Oregon's environment, residents and economy. Protecting Oregon's rivers, lakes, streams and groundwater quality keeps the state's waters safe for a multitude of beneficial uses such as drinking water, fish habitat, recreation and irrigation. Oregon DEQ is working with state, local and federal partners on the overall water quality, quantity and ecosystem protection efforts, is involved with local communities to protect watersheds and provide innovative and efficient wastewater infrastructure, and continues to work locally to support and encourage the implementation of clean water action plans.

A New Business Model

Oregon DEQ is renovating its approach to providing services and doing business with a focus on results and measurable outcomes. The agency is undertaking several streamlining efforts that increase transparency and will improve a variety of operational processes including:

- Permitting
- Enforcement service delivery
- Rulewriting
- Developing pollution reduction programs and strategies

All employees will be engaged in process improvements and accountable for measuring outcomes. The business model also includes goals for public engagement to ensure a collective involvement of Oregonians in environmental problem-solving.

Improving Air Quality

Meeting National Ambient Air Quality Standards and reducing exposure to toxic air pollution are key elements of Oregon DEQ's work to protect public health. DEQ works with state, local and federal partners to reduce emissions of greenhouse gases that contribute to global climate change and to improve visibility in scenic areas.

Environmental Justice and Tribal Government Relations

Oregon DEQ is committed to the principles of environmental justice and ensuring that the agency's actions address the interests of Oregon communities, including minority, low-income and other traditionally underrepresented communities, as much as state and federal laws allow.

Senate Bill 420 (Oregon Revised Statues 182.535-182.550), which took effect in January 2008, created new environmental justice requirements for Oregon DEQ and other state agencies. The bill requires agencies to consider environmental justice when determine whether and how to act, provide greater public participation to all people affected by decisions, and create a citizen advocate position to support this work.

ORS 182.545 Duties of natural resource agencies. In order to provide greater public participation and to ensure that all persons affected by decisions of the natural resource agencies have a voice in those decisions, each natural resource agency shall:

(1) In making a determination whether and how to act, consider the effects of the action on environmental justice issues.
(2) Hold hearings at times and in locations that are convenient for people in the communities that will be affected by the decisions stemming from the hearings.
(3) Engage in public outreach activities in the communities that will be affected by decisions of the agency.
(4) Create a citizen advocate position that is responsible for:
(a) Encouraging public participation;
(b) Ensuring that the agency considers environmental justice issues; and
(c) Informing the agency of the effect of its decisions on communities traditionally underrepresented in public processes.

Since Senate Bill 420 was adopted, Oregon DEQ has taken a number of actions to implement Oregon's Environmental Justice Law and to incorporate actions regarding Environmental Justice into the agency's work.
In 2012-14, Oregon DEQ will continue efforts to further the progress of EJ in Oregon. This will include:

- Ensuring that all Oregon DEQ employees, where appropriate, take the on-line EJ training;
- Collaboration with EPA and other states to share information about current EJ issues, activities, and events applicable to Oregon;
- Participation and working with EPA on any national or regional EJ efforts or initiatives as resources allow;
- Working with EPA to develop EJ training for specific Oregon DEQ programs as needed;
- Exploring and executing additional opportunities to focus Supplemental Environmental Project funds resulting from civil penalties for environmental law violations to environmental justice communities;
- Incorporating EJ and cultural competency expectations in Oregon DEQ manager position descriptions and performance management materials where appropriate;
- Reaching out to communities that may be affected by agency decisions;
- Working with EPA and communities (including Oregon's Environmental Justice Task Force as appropriate) in developing appropriate strategies for state characterization of EJ communities identifying vulnerable populations and associated pollution sources that may be disproportionately impacted by environmental burdens and/or experiencing cumulative or adverse health impacts;
- Ensuring compliance with Title VI of the Civil Rights Act of 1964. This includes participating in EPA sponsored training and/or guidance to help achieve compliance with Title VI;
- Developing a Limited English Proficiency (LEP) guidance for Oregon DEQ;
- Providing a community involvement plan that reduces barriers and enhances public participation, considers limited English proficiency or immigrants, traditional or cultural needs, and ensures early engagement, meaningful participation and information exchange. This commitment assumes that tools will be available from EPA, and other sources, that will provide the demographic information needed to implement such a plan and,
- Diversification of Oregon DEQ's advisory committees and workgroups as much as possible.

If additional funding for EJ work in Oregon is available and awarded, Oregon DEQ would use it for the activities below:

- Reduce barriers to participation by environmental justice communities in Oregon DEQ public meetings/hearings regarding Oregon DEQ regulatory actions.
- Reduce barriers to participation by environmental justice communities in community exploratory meetings Oregon DEQ would like to set up throughout Oregon to learn about their interests and challenges.

- Implement recommendations in Oregon DEQ's statewide Toxics Reduction Strategy to reduce toxic pollution to Oregon's air, water and land, which may have disproportionate effects on environmental justice communities.
- Develop a plan/schedule, including performance expectations, and implement a plan for targeted multi-media inspections (air, land and water) in environmental justice communities across Oregon.
- Implement recommendations from the Portland Air Toxics Solutions Recommendations that address Environmental Justice communities as determined by the Environmental Justice Analysis conducted for the project. This is a critical environmental justice issue for EPA.

Compliance and Enforcement

For this biennial agreement, DEQ and EPA intend to explore ways to workshare and increase joint planning for implementing compliance and enforcement priorities. Priorities include National Enforcement Initiatives, as well as regional and state priorities.

DEQ considers compliance monitoring and enforcement critical to its regulatory mission and is committed to continued investment in these activities as part of an integrated strategy for the core programs. DEQ identifies violations through self monitoring reports, compliance inspections and complaint response. Using its discretion, DEQ initiates formal enforcement for orders and penalties as appropriate under its rules and guidance. Such a strategy allows the state to focus on important environmental and compliance issues, deter those who might violate, maintain a level playing field for the majority who do comply, and promote environmental and economic health outcomes.

DEQ works with the Department of Justice's environmental crimes unit, the Oregon State Police and EPA Criminal Investigation Division to identify investigate, and present possible environmental crimes for prosecution at both the state and federal levels.

Overview of EPA's and Oregon DEQ's Joint Objectives

DEQ and EPA share the goals of clean air, clean land, clean water, healthy communities and compliance with environmental laws. This PPA incorporates EPA's national and regional objectives in ways that fit with Oregon's priorities. Each agency has an individual approach to achieving these objectives, with a common outcome of environmental protection. Both agencies take a holistic approach to protecting water, including taking measures to ensure water quality and quantity, preventing pollution and reducing toxics, and engaging communities and partners in problem-solving strategies to help clean up communities and advance sustainable development.

Two of EPA's national goals, *Enforcing Environmental Laws* and *Cleaning Up Communities and Advancing Sustainable Development*, provide an overarching theme to the work associated with both agencies. DEQ's *New Business Model* is intended to provide the foundation to accomplish these goals through innovative and efficient practices and provide measurable outcomes that support concepts from the Government Performance and Results Act.

EPA's and Oregon DEQ's remaining objectives are closely aligned. For example, EPA's priorities of *Taking Action on Climate Change* and *Improving Air Quality* are included in Oregon DEQ's *Reducing Toxics* and *Improving Water*. Other examples of the agencies' strategic alignment include pollution prevention efforts, and controlling pollution sources.

Where there are funding uncertainties, creative opportunities will be explored such as work share in order to maximize the overall environmental benefits. The attached Air Quality, Hazardous Waste, and Water Quality

work plans describe how Oregon DEQ and EPA will collectively work together on specific activities to help achieve the environmental goals outlined in this agreement.

PERFORMANCE EVALUATION

DEQ and EPA have developed agreements regarding the process for conducting joint evaluation of performance. The specific process is included in the attached work plans for each program. The purpose of the joint evaluation process is to discuss:

- Work plan accomplishments
- Effectiveness of work performed
- Existing and potential problem areas
- Suggestions for improvement

MODIFYING THE AGREEMENT

This PPA is intended to be a "living," iterative document. Although DEQ and EPA developed this agreement based upon current and projected information, it is possible that either partner may want to revise the agreement based upon new information or changes that occur during the timeframe of the agreement.

The economic recession is having an impact on DEQ's operating budget. Oregon's 2011 and 2012 Legislature reduced funding that supports DEQ programs. Potential future reductions in state or federal funding of DEQ's air, hazardous waste or water programs is one reason modifications to the commitments outlined in this PPA may be required. Re-negotiation of PPA commitments may be required in order to address changes in environmental conditions or priorities.

DEQ and EPA expect that, in most instances, negotiating changes will be a fluid process that both agencies can readily agree to, or that changes will be interpreted to be within the scope of the existing agreement. These modifications can be captured through written or verbal side agreements. When major changes are needed, the PPA can be re-opened and re-negotiated under the direction of the DEQ Director and EPA Regional Administrator.

When either agency believes that changes are needed, the agencies will need to reach agreement on the following:

- The level of resources necessary to do the work,
- Any specific disinvestments from existing work that will be required to accomplish this new work, and
- The roles and responsibilities of each agency to support identified projects

APPENDIX A: AIR QUALITY PROGRAM COMPONENT

AIR QUALITY PROGRAM

The goal of DEQ's Air Quality Program is to keep Oregon's air healthy to breathe and ensure visibility is clear. DEQ uses a number of measures to determine how well this goal is being met.

- **Percent of communities within DEQ's jurisdiction that have been redesignated from nonattainment to attainment with a National Ambient Air Quality Standard.**

Until recently, 100 percent of Oregonians lived in areas that meet the National Ambient Air Quality Standards for criteria pollutants, which represents a tremendous improvement from a period of routine violations in the 1980s and early 1990s. However, based on new health information, EPA tightened the standard for fine particles to a level that two Oregon communities - Klamath Falls and Oakridge - are designated nonattainment, one additional community – Lakeview - violates the new standard and many more communities are at risk of violating. During this PPA period, DEQ will be working with Klamath Falls to bring the area into attainment through a formal attainment plan. Lane Regional Air Protection Agency has responsibility for attainment planning in Oakridge, which is located in Lane County.

- **The number of days when air is unhealthy for (a) sensitive groups, (b) all groups (DEQ Key Performance Measure 12).**

While most communities are meeting federal air quality standards, which are based on repeated high levels of pollution over several years, there are still numerous individual days when the air is unhealthy to breathe in many communities. One of the key performance measures that DEQ uses to gauge air quality is the number of days when the air in Oregon communities exceeds federal air quality standards. The measure has two parts: part (a) tracks whether Oregon's air is healthy to breathe for sensitive groups, asthmatics, children, and the elderly; and part (b) tracks whether Oregon's air is healthy to breathe for healthy adults.

DEQ's goal is to eliminate all unhealthy air days in all communities. Across the state, there were 106 days in 2009 and 25 days in 2010 in which air was unhealthy for sensitive individuals. In 2009, Lakeview and Oakridge both had 20 days of unhealthy air while Klamath Falls had 9 days and Eugene/Springfield had 7 days. Portlanders experienced 4 unhealthy air days in 2009 and 2 in 2010. The 25 unhealthy air days in 2010 were spread among 12 communities with Oakridge having the most at 6 days followed by Klamath Falls with 5 days. In 2009, summertime wildfires and prescribed burns in southern and eastern Oregon contributed to 14 unhealthy air days, but woodstove use is the overwhelming source of unhealthy air days.

For healthy adults, there were a total of 12 days in 2009 and 1 day in 2010 when the air was above levels set to protect healthy adults. Four of the 2009 days occurred in Lakeview, 2 days each in Oakridge and Klamath Falls, with 4 other cities each recording one day. Again, reducing smoke (particulate matter) from woodstoves and other sources of combustion is essential to reducing the number of unhealthy air days in Oregon.

In addition to fine particulate, EPA is reviewing the ozone standard and may propose changes to the standard that could have significant effects on Oregon. The effect of the proposal on Oregon could range from minor to major depending on the final standard. Besides tighter standards, population growth presents an ongoing challenge in continuing to meet the federal standards for other pollutants.

Air Quality Program Joint Priorities

DEQ and EPA worked together to develop the Performance Partnership Agreement Air Quality Program Work Plan. The objective was to come up with a plan that targets Oregon's most important air quality issues within the constraint of limited resources. Through this partnership agreement, both agencies have agreed to support each other's efforts in the following important work.

APPENDIX A: AIR QUALITY PROGRAM COMPONENT

Priority 1: Meeting National Ambient Air Quality Standards

Fine particulate, PM2.5: As noted earlier, Klamath Falls has been officially designated as a fine particulate nonattainment area, and DEQ has already begun working with local officials to develop a formal attainment plan by December 2012. While not yet designated as a nonattainment area, Lakeview is also violating the fine particulate standard. Many other Oregon communities, including Eugene-Springfield, Albany, Portland, Burns, and Medford, continue to be at risk of exceeding fine particulate standards.

In response to nonattainment concerns state-wide, the 2009 Legislature passed a bill requiring the removal of older, noncertified woodstoves upon home sale, as well as banning the sale of certain wood burning devices currently exempt from EPA emission standards. The Environmental Quality Commission adopted implementation rules in the fall of 2010, and DEQ is now working with local communities, Realtors©, dealers and others to implement the program. During 2010 and 2011, DEQ administered an American Recovery and Reconciliation Act grant for $2,000,000 to replace uncertified woodstoves with cleaner heating devices. Funds were spent in areas with the most significant PM 2.5 pollution problem. Going forward, DEQ and EPA will work together to seek additional resources to replace uncertified stoves.

Ongoing funding for local government wood heating curtailment and enforcement programs is expected to be a major challenge in the coming years. Funding for fine particulate monitoring is also expected to be a major challenge.

Carbon Monoxide and particulate, PM10: All areas of Oregon are in compliance with the federal PM10 and the carbon monoxide National Ambient Air Quality Standards. DEQ's PM10 and CO maintenance plans are up to date.

Ozone: In January 2010, EPA proposed revisions to the ozone (or smog) National Ambient Air Quality Standard, based on a reconsideration of the health data used to set the ozone standard in March 2008. Under EPA's proposal, the 8-hour primary standard would be strengthened from the current 0.075 parts per million to somewhere within the range of 0.060 to 0.070 ppm (equal to 60 to 70 parts per billion). In late 2011, EPA cancelled the reconsideration, but announced plans to propose a new ozone standard during 2013. EPA now expects that the new standard will be proposed in late 2013 or early 2014, and finalized a year later.

The effect of the proposal on Oregon could range from minor to major depending on the final standard. All areas in Oregon are now meeting the existing standard of 0.075 ppm using the most current three-year average data. No areas would violate a standard of 0.070 ppm, the Portland and Medford areas are very close to a standard of 0.065 ppm, and all areas currently monitored except for Bend would violate a standard of 0.060 ppm.

Lead: All areas of Oregon are currently designated as unclassifiable for the lead standard based on available monitoring data. A plan for new lead monitoring was developed as part of DEQ's five year state wide monitoring strategy. Once monitoring data is available, DEQ and EPA will evaluate the plan for compliance and make nonattainment recommendations as needed. DEQ expects to ask for a waiver to discontinue the lead site in McMinnville at the end of 2012 when we will have 3 years of data. Values measured at that site are about 25% of the standard.

Nitrogen dioxide, NO_2: In 2010, EPA revised the NO2 standard, setting the one-hour NO2 standard at 100 parts per billion. All areas of Oregon are designated attainment or unclassifiable for NO2. However, EPA has established new ambient air monitoring requirements for NO2, focusing on "hot spots" expected to have higher concentrations. In urban areas, monitors are required near major roads as well as in other locations where maximum concentrations are expected. Additional monitors are also required in large urban areas to

measure the highest concentrations of NO2 that occur more broadly across communities. DEQ expects that one new near roadway monitor will be needed in the Portland area to meet these requirements. All new NO2 monitors must begin operating no later than January 2013. While EPA has committed funding for monitoring equipment, funding for operation of the new monitors remains a challenge that DEQ and EPA will work together to resolve.

Sulfur dioxide, SO_2: In 2010, EPA revised the primary sulfur dioxide standard to a level of 75 parts per billion measured over one hour. All counties in Oregon are designated as attainment or unclassifiable with the standard. EPA has also changed the ambient air monitoring requirements for SO2, which will require Oregon to operate one monitor at our Portland NCORE site by January 2013. As part of the new standard, EPA is considering "refined dispersion modeling" to determine compliance with the standard. It is not clear who will be doing this modeling. EPA and DEQ will work together to address resource challenges for this new monitoring.

Priority 2: Air Toxics

Oregon's Environmental Quality Commission adopted health benchmarks for 51 toxic air pollutants in 2006. In 2010, the commission added an additional benchmark for ethylbenzene, updated the benchmarks for lead and manganese, and clarified that the mercury benchmark applies only to elemental mercury. These benchmarks allow DEQ to assess public health risks from air toxics, and to identify high priority geographic areas and source categories for emission reduction work.

In 2009, DEQ convened the Portland Air Toxics Solutions (PATS) Advisory Committee to develop the state's first plan to reduce air toxics risk comprehensively in a geographic area. In supporting the PATS committee from 2009 to 2011, DEQ significantly improved its technical tools and capabilities to assess air toxics risk. DEQ improved its capacity to conduct emission inventories, emission forecasting, dispersion modeling, GIS and environmental justice assessments for air toxics. Using these tools, the committee prioritized categories of emission sources and developed recommendations for follow-up actions to reduce toxic air emissions. In the coming years, DEQ will seek public input on its plan to implement the PATS recommendations. DEQ expects to use a multi-pollutant approach to achieve air toxics co-benefits from efforts to reduce emissions of fine particulate, ozone precursors and greenhouse gasses.

DEQ continues to implement the NEHSAP program to achieve air toxics reductions from point sources. DEQ incorporates major source NESHAPs into Title V permits and has implemented numerous area source NESHAPs through our Air Contaminant Discharge permitting program. DEQ is evaluating alternative, less resource-intensive, approaches to encourage compliance with new area source NESHAPs for RICE engines and boilers. In addition, DEQ continues to lead and support numerous projects to retrofit and replace older high-emitting diesel engines using EPA grant funds.

Priority 3: Climate change

Greenhouse gases contribute to climate change, which is expected to have serious impacts in Oregon including coastal and river flooding, snow pack declines, lower summer river flows, reduction of farm and forest productivity, energy cost increases, public health effects, and increased pressures on many fish and wildlife species. In 2006, the Environmental Quality Commission adopted California's emissions standards for vehicles sold in Oregon to reduce greenhouse gas emissions from new vehicles and increase the availability of zero emission vehicles. DEQ began implementation of the Oregon Low Emission Vehicle Program in January 2008. During this PPA period, DEQ will update the program rules to incorporate recent changes made by California and to align with recent federal rules. The rule changes will include standards through 2025 and new provisions designed to encourage early introduction of electric vehicles in Oregon.

In October 2008, the commission adopted greenhouse gas reporting rules which required certain industrial air permitted sources to begin annual reporting on 2009 emissions. In 2010, the commission expanded the rules to include reporting from fuel distributors and electricity providers, and now capture over 90 percent of the greenhouse gas emissions in Oregon, as well as emissions from out of state electricity generation. DEQ has published reporting protocols for most of the new categories of reporters, and will complete the remaining protocols in 2012.

During 2010, DEQ revised its permitting rules to incorporate new federal greenhouse gas permitting requirements. The revised rules incorporate greenhouse gases into Oregon's New Source Review/Prevention of Significant Deterioration and Title V permitting programs.

DEQ is assisting the Oregon Department of Transportation and the Land Conservation and Development Department to implement House Bill 2001 (2009) and Senate Bill 1059 (2010). These statutes require metropolitan planning organizations to develop greenhouse gas reduction scenarios, and the Oregon Transportation Commission to adopt a greenhouse gas reduction strategy for transportation.

If directed by Governor Kitzhaber, DEQ will propose rules to reduce the lifecycle greenhouse gas emissions from transportation fuel. The Oregon Legislature authorized the clean fuels program through adoption of House Bill 2186 in 2009. During 2010, DEQ conducted an extensive advisory committee process to evaluate policy options and develop rules needed to implement the legislation. During 2011, DEQ conducted additional outreach to gain more public input on the program. If adopted by the Environmental Quality Commission, the program would begin with a reporting-only phase. Full implementation would require a second action by the commission as well as reauthorization by the Oregon legislature before 2015.

Priority 4: Visibility

Oregon's regional haze plan was adopt by the Environmental Quality Commission in June 2009 and submitted to EPA for approval. The centerpiece of the plan is the requirement to install "best available retrofit technology" or BART to reduce sulfur dioxide and nitrogen oxides at certain "grandfathered" industrial plants, including the PGE Boardman coal-fired power plant. The commission adopted very stringent emission control requirements for Boardman, requiring a reduction in SO2 and NOx emissions of over eighty percent by 2018. Subsequently, at the request of Portland General Electric, the commission revised the BART rules in December 2010 to require permanent closure of the coal-fired boilers at the Boardman plant by 2020 with interim controls for NOx and SO2 consistent with the reduced life of the plant. At DEQ's request, EPA expedited approval of this portion of Oregon's regional haze plan.

During the course of this PPA period, EPA plans to complete approval of the remaining portions of Oregon's 2009 regional haze plan. In addition, DEQ will prepare and submit a region haze plan update in 2013. This update will lay the groundwork for the 2018 plan revision, which will be designed to ensure continuing reasonable progress and may include additional haze reductions from non-BART industrial sources, forestry prescribed burning and other sources.

Priority 5: Enforcement

DEQ and EPA will work collaboratively to implement EPA's Enforcement Goals and National Enforcement Initiatives. These goals are focused on vigorous civil and criminal enforcement that targets the most serious air hazards; resetting the relationship between EPA and DEQ in order to deliver our joint commitment to a clean and healthy environment; and improving the transparency of compliance and enforcement information made available to the public.

EPA Support for DEQ Programs

APPENDIX A: AIR QUALITY PROGRAM COMPONENT

EPA and Oregon work together to meet clean air goals cost-effectively by employing a variety of regulatory and voluntary approaches and programs. DEQ develops emission inventories, operates an EPA approved air monitoring network and writes the state implementation plans necessary to lay the foundation for improving and maintaining air quality in Oregon.

EPA primarily assists DEQ by providing financial assistance, guidance and new regulations. EPA also implements programs in Oregon that reduce pollution from a variety of sources such as trucks, buses, power plants and dry cleaners. In addition, EPA is charged with protecting air quality in Indian Country in Oregon.

EPA stands ready to facilitate DEQ's success in implementing the requirements of the Clean Air Act in Oregon. In order to meet the objectives and outcomes identified in the attached work plan EPA will work closely with DEQ to develop, implement and support programs necessary to maintain healthy air quality in Oregon.

Some of the work EPA will do to facilitate successful implementation of the Clean Air Act in Oregon includes:

- Working closely with DEQ to develop and revise plans necessary to address air quality in new nonattainment areas and existing attainment areas in Oregon.
- Updating DEQ on any new analyses of community, state, or regional air quality including risks associated with public health and the environment.
- Taking final action on redesignation requests within 18 months, and expediting action when feasible upon request from DEQ.
- Coordinating with DEQ on designating new nonattainment areas following a revision to any federal air quality standard.
- Updating DEQ on any new EPA Region 10 strategies for reducing emissions.
- Issuing delegation notices for New Source Performance Standards within three months of receiving a delegation request from DEQ.
- Partnering with DEQ to develop implementation strategies for NSPS and National Emissions Standards for Hazardous Air Pollutant programs.
- Processing NESHAP delegation requests within three months after they are received.
- Supporting Oregon's efforts to implement the Clean Diesel Initiative.
- Consulting with DEQ on applicability determinations, compliance determinations, and other case-by-case issues where EPA needs to make final decisions.
- Completing applicability determinations in a timely fashion.
- Providing Aerometric Information Retrieval System support and training.
- Taking final action on Oregon's regional haze plan.
- Informing DEQ about national plans for enforcement program oversight.
- Conducting compliance assurance and enforcement activities in support of EPA's National Clean Air Act compliance priorities (i.e. Prevention of Significant Deterioration/New Source Review and Air Toxics).

Considering significant resource challenges faced by EPA and DEQ, EPA will strive to streamline requirements and focus on environmental outcomes to the extent possible consistent with laws and national guidance. This includes:

- Working with DEQ to establish protocols for infrastructure SIPs that are consistent with the environmental risks associated with each pollutant.

- Working with DEQ to agree on mutually acceptable protocols for technical analysis supporting nonattainment area planning, infrastructure SIPs, NAAQS compliance demonstrations, and other projects as needed.
- Providing guidance and comments to DEQ as early as possible during development of attainment plans and other SIP submittals.
- Coordinating field activities to complement, rather than duplicate, efforts whenever possible.
- Streamlining requirements for flagging monitoring data from natural and exceptional events such as wildfire.

Evaluation Process

To insure that EPA and DEQ maintain open communications during this PPA, the two agencies agree to check-in every six months and have meetings as needed. In addition, grant update reports will be submitted every six months and will be used to determine if a check meeting or teleconference should be scheduled. At a minimum the update should include the following information:

- A discussion of accomplishments as measured against the work plan commitments.
- A discussion of the cumulative effectiveness of the work performed.
- A discussion of existing and potential problem areas,
- Suggestions for improvement including schedules if possible.

If the joint evaluation process reveals that sufficient progress under the work plan is not being made EPA and DEQ agree to negotiate a resolution that addresses the issue.

2012 – 2014 PPA: Air Quality Program Work Plan

EPA Strategic Plan Goal: Taking Action on Climate Change and Improving Air Quality
EPA Strategic Plan Objective: Improve Air Quality

Total DEQ FTE for this component: 155.48. Resources budgeted: $36,570,792. Please refer to attached budget narrative for additional detail about FTE and resources.

Objective 1: Limit public exposure to criteria pollutants by consistently meeting and exceeding health-based air quality standards throughout the state.

Outcome Measures

- Monitoring demonstrates continuous improvement in air quality as measured by a decline in the number of days when air quality is considered unhealthy for sensitive groups or unhealthy for all groups, as recorded by the Air Quality Index.
- Percent of communities within DEQ's jurisdiction that have been redesignated from nonattainment to attainment with a National Ambient Air Quality Standard.

Outputs	1) DEQ will take the Klamath Falls attainment plant to the Environmental Quality Commission in December 2012 and will submit the attainment plan in January 2013. DEQ will follow this schedule: • Submit rules for public comment by July 2012 • Submit attainment plan and rules to the EQC for adoption in December 2012 • Submit SIP revision and attainment plan to EPA in January 2013 • Follow up and respond to EPA's questions about the plan
	2) The City of Lakeview is currently violating the PM2.5 NAAQS, but is not an official PM2.5 nonattainment area. DEQ will work with the City of Lakeview to reduce emissions and restore healthy air quality.
	3) DEQ will submit a bundled Lead/NO2/SO2 infrastructure SIP in 2013. DEQ and EPA will scope the work to be completed including TAP, interstate transport as well as how the NO2 modeling impacts permitting. • NO_2 due 01/22/13. No final guidance received yet • SO_2 due 06/03/13. No final guidance received yet • Lead due 10/15/11. Guidance received 10/14/11

	4) DEQ will coordinate with LRAPA on their rule makings that require Environmental Quality Commission approval and a SIP submittal. DEQ will review rules for stringency, ensure that the correct public processes are followed and will lead the EQC and SIP submittal processes. Anticipated rules include: • Oakridge attainment plan – December 2012 EQC – January 2013 SIP submittal • PM2.5 & greenhouse gas permitting • Industrial streamlining • Open burning • Hazardous air pollutants GDF
	5) DEQ expects that EPA will propose a revision to the ozone standard in mid 2013, and finalize a new NAAQS by mid 2014. DEQ will make state attainment designation recommendations to EPA within the timeline specified in the final standard. Some initial preparation steps may be required during this PPA period. The steps include: initial project scoping, monitoring, modeling, emission inventory, data analysis of primary and secondary NAAQS compliance and trends and resource budgeting.
	6) DEQ expects that EPA will propose a revision to the PM2.5 standard sometime in 2012 and finalize a new NAAQS within a year of its proposal. EPA's proposed standard revision may involve the daily NAAQS, annual NAAQS or both. DEQ will make state attainment designation recommendations to EPA within the timeline specified in the final standard. Some initial preparation steps may be required during this PPA period. The steps include: initial project scoping, monitoring, modeling, emission inventory, data analysis of primary and secondary NAAQS compliance and trends and resource budgeting.
	7) Recent EPA guidance calls for shifting the PM2.5 monitoring grant from Section 103 funding to Section 105 funding. If this happens, DEQ and EPA will amend this agreement to include the new work and will amend the Performance Partnership Grant to include the additional Section 105 funding. Section 105 funding requires 40% state match unlike Section 103, so funding would likely be cut. DEQ and EPA will work together to address the potential funding shortfall.
	8) DEQ will operate a total suspended particle lead monitor in McMinnville near the only source in Oregon with greater than 1 ton/year emissions. A second population orientated PM 10 monitor for Portland was installed and began operation in January 2012. Two years of monitoring at the McMinnville site have shown results of approximately 20% of the lead standard. Three years of data will be available by the end of 2012, and DEQ will submit a waiver to shutdown the site at that time, assuming the values are still well below the standard.
	9) DEQ will develop a NO_2 monitoring network plan by July 1, 2012. Oregon currently has one NO_2 monitor at a site in Portland. New rules require an additional site near a road-way in the Portland area. Work on the new monitor will include identifying a site location, developing the site and purchasing equipment for operation, which should begin no later than January 2013. DEQ will seek a waiver from EPA to substitute the existing NOx monitor for the required Portland NCORE NOy monitor. Data collected during the past year have shown that there is negligible difference between NOx and NOy. The substitution would free resources to help cover the operational costs of the new near roadway NO_2 monitor, which currently has no operational funding source.
Core Work	1) DEQ will continue to implement all strategies contained in the PM_{10}, carbon monoxide and ozone maintenance areas including financial support for local woodstove programs. DEQ will discuss with EPA on-going monitoring needs and priorities in these nonattainment areas as part of our 2012 statewide monitoring strategy.

	2) DEQ will notify EPA of exceedance events, in a timely manner consistent with EPA's Exceptional Events rule and will identify any data ($PM_{2.5}$ and PM_{10}) to be flagged.
	3) DEQ will coordinate with EPA on prioritizing State Implementation Plan review and approvals, and setting priorities for the coming year. EPA and DEQ will communicate at least once a year (fall) to discuss the status of submitted plans and the projected schedule for future submittals.
	4) DEQ will develop initial development plans for each State Implementation Plan submittal approximately six months before EPA review is needed. The development plan will include schedules that will be negotiated with EPA. EPA and DEQ will process all development plans in accordance with the State Implementation Plan Process Improvement Plan, dated April 15, 2002.
	5) DEQ will operate and maintain the monitoring network plan according to 40 CFR Part 58 requirements and EPA approved Quality Assurance plans. After EPA promulgates a new ozone standard, DEQ will work with EPA to consider revisions to the monitoring network plan according to sites relevant to areas in over-burdened communities and those that result in the greatest environmental benefit. DEQ will include the network changes in the annual network plan accounting for new site requirements and available funding.
	6) DEQ will participate in national and regional monitoring quality assurance activities including the Performance Evaluation Program and through-the-probe testing.
	7) DEQ will maintain Quality Assurance Project Plans for each pollutant it monitors for reporting to EPA**.**
	8) DEQ will contribute occasional staff time to NWAIRQUEST for the continued development and application of emissions data and air quality models, including the Community Multi-scale Air Quality model and EPA MOVES, to support ozone and particulate matter forecasting models for use by the regional partnership.
Reporting	1) DEQ will submit nephelometer data converted to $PM_{2.5}$ values and ozone values to AIRNow for all nephelometer and ozone sites. Hourly average data is submitted to AIRNow every hour.
	2) DEQ will report ambient air quality data to the EPA Air Quality Subsystem quarterly, as required by 40 CFR Part 58. By June 2013, DEQ data will be reported to EPA using the National Exchange Network.
	3) DEQ will continue reporting point source annual emissions as defined by 40 CFR Part 51 utilizing the National Exchange Network. This incorporates the Consolidated Emissions Reporting Rule elements that are currently reported by sources, excluding Lane Regional Air Protection Agency. DEQ will report appropriate non-point AERR emissions, or certify EPA's estimates, in accordance with the triennial National Emissions Inventory schedule.

Objective 2: Reduce greenhouse gas emissions that contribute to climate change.

Outcome Measures

- By 2020, achieve greenhouse gas emission levels that are 10 percent below 1990 levels.
- By 2050, achieve greenhouse gas emission levels that are at least 75 percent below 1990 levels.

Outputs	1) DEQ will continue to implement Oregon's greenhouse gas (GHG) reporting program. Implementation work during this PPA period will include: • Approve new reporting protocols as needed including gasoline, diesel and aircraft fuel distributors, consumer-owned utilities and permitted facilities with the incorporation of new source categories. • Assist sources with GHG reporting. • Maintain an Oregon GHG database to track emissions for permitted facilities. • Develop and populate a database to track emissions information for electricity suppliers and fuel distributors beginning in 2012. • Review annual state GHG reports from GHG reporters, including affected Oregon sources over 2500 metric tons of CO_2 equivalent, electricity suppliers and fuel distributors. • Investigate options to streamline dual reporting for permitted facilities subject to the EPA mandatory reporting rule once EPA requires reporting of more comprehensive information such as data inputs used in emissions calculations.
	2) Once EPA has adopted standards, DEQ will seek delegation of EPA New Source Performance Standards promulgated to address greenhouse gas emissions. NSPS for fossil fuel-fired power plants and refineries are currently being developed.
	3) If the Clean Fuels Standard moves forward for consideration by the EQC, work would include: • Develop a finalized draft rule • Convene a fiscal advisory committee • Conduct public notice • Present the proposed rule to the EQC for adoption in late 2012 This rule would not be part of the Oregon SIP and would not be submitted to EPA for approval.
	4) In 2012, DEQ will update Oregon's Low Emission Vehicle rules to incorporate recent changes made by California and to align with recent federal rules. The rule changes will revise the low emission vehicle program to reduce GHG emission limits, cut tailpipe emissions and increase the number of Zero Emission Vehicles sold.
Core Work	1) DEQ will continue to monitor and/or selectively participate in collective efforts to characterize and reduce GHG emissions, such as the Western Climate Initiative, Oregon workgroups and interagency groups such as the Oregon Global Warming Commission and several of its subcommittees, the Renewable Energy Work Group, and the Governor's Alternative Fuel Vehicle Infrastructure Working Group as well as reduction efforts by Region 10 EPA.
	2) DEQ will continue to implement the Oregon Low Emission Vehicle Program, including providing technical assistance to automobile dealers and conducting compliance verification.
	3) DEQ will continue to maintain Oregon's New Source Review/Prevention of Significant Deterioration and permitting programs that incorporated greenhouse gases as a regulated pollutant in permit renewals.

APPENDIX A: AIR QUALITY PROGRAM COMPONENT

Objective 3: Protect human health and the environment through ongoing Air Quality improvement strategies.	
Outcome Measures • Monitoring demonstrates continuous improvement in air quality as measured by a decline in the number of days when air quality is considered unhealthy for sensitive groups or unhealthy for all groups, as recorded by the Air Quality Index. • The National Emissions Inventory results will show a decrease in emissions over time.	
Outputs	1) DEQ will submit periodic delegation requests for adopted New Source Performance Standards. The request will generally be for standards adopted by EPA and in the CFR published July 1 of the previous year. In 2012, DEQ plans to update its adoption of existing NSPSs, adopt the sewage sludge incinerator NSPS, and adopt rules to implement the commercial and industrial solid waste incinerator Emission Guidelines. The 2012 rulemaking will not include the stationary reciprocating internal combustion engine NSPSs.
	2) DEQ will continue to implement the area source National Emission Standards for Hazardous Air Pollutants (NESHAPs) program, by issuing permits or registration and performing periodic inspections. DEQ will also perform outreach and technical assistance to help area sources comply with the regulations.
	3) When DEQ adopts the NO_2 standard, DEQ will incorporate the standard into permits. DEQ will work with EPA and impacted industrial sources to resolve technical issues associated with modeling required to demonstrate compliance with the standard.
	4) In 2013**,** DEQ plans to develop guidance for establishing permit limits that are necessary to address source-specific air quality impacts using general rule authority to address nuisance conditions.
	5) In 2013, DEQ plans a cross program rulemaking to streamline the permitting process by exempting certain existing sources from obtaining a State Land Use Compatibility Statement.
	6) DEQ's Vehicle Inspection Program is piloting self-service testing with customers in phases. • Phase 1 tested the technical capability of one kiosk with one attendant in a clean air station testing lane. The technical feasibility was proved, but some refinement is necessary. • Phase 2 moves toward self-service customer involvement with one attendant overseeing two kiosks in the same clean air station testing lane. This phase has begun and the results will help us gauge customer reaction and ease of use. • Phase 3 would expand a self-service lane into an additional clean air station. • The VIP program is also piloting remote On Board Diagnostics (OBD) testing with the Clackamas County fleet. Both the self-service pilot and remote OBD pilot should be complete by the spring 2013 and will help us evaluate efficiencies and value-added customer service.
Core Work	1) DEQ will continue to implement the Title V permitting program.
	2) DEQ and EPA will work to develop solutions to Point Source Emission Limits implementation issues.
	3) DEQ will continue to operate the Air Contaminant Discharge Permit Program.
	4) DEQ will continue to run the Small Business Assistance Program including having a Small Business Ombudsman and Compliance Advisory Panel. DEQ will provide training and technical assistance to small businesses to help them reduce air emissions and comply with air quality rules.

	5)	DEQ will implement the Air Pollution Advisory program. In the summer, DEQ will forecast daily and issue ozone pollution advisories in Portland, Salem and Medford. The rest of the year, DEQ will forecast daily and issue $PM_{2.5}$ pollution advisories statewide.
	6)	DEQ will provide outreach and technical support to attainment and unclassified areas. Typical activities include assistance to, or coordination with, local air quality committees and governments on woodstove, open burning, burn barrels, construction, road sanding and land clearing and grading.
	7)	DEQ will operate the Employee Commute Options program in the Portland Air Quality Maintenance Area. Activities include: provide assistance to affected employers, review compliance status, document and respond to violations, conduct outreach and education, maintain rules and improve the database.
	8)	DEQ will operate the tanker certification program by providing assistance to gasoline transporters, issuing tanker certifications and maintaining the database.
	9)	DEQ will provide on-going assistance to local, state, and federal agencies on transportation issues, travel modeling consultation, mobile emission estimates and conformity regulations/analysis.
	10)	DEQ will operate the Vehicle Inspection Program in the Portland and Medford areas.
	11)	DEQ will implement the open burning program, responding only to high priority burning events and those requiring enforcement actions.
Reporting	1)	DEQ will continue to submit New Source Review/Prevention of Significant Deterioration information to EPA including applications, incomplete application letters, updated application information, technical analysis, draft permits and final permits.
	2)	DEQ will enter RACT/BACT/LAER determinations into the clearinghouse database within 90 days of permit issuance.
	3)	DEQ will submit annual and biennial Vehicle Inspection Program reports in compliance with Title 40, Chapter 1, Part 51, Subpart S, Sec. 51.366 of the Clean Air Act. DEQ will submit this report by July of each year and it will contain statistical analysis from data collected from January through December of the previous year.
	4)	DEQ will provide EPA's Air Quality Subsystem with data quarterly, submitted within 120 days of the end of the quarter. DEQ will certify the previous year's air toxics data by April 30 of each year.
Objective 4: Limit public exposure to toxic air pollution.		
Outcome Measures • The National Emission Inventory results will show a decrease in emissions over time. • Diesel emissions are reduced by 250 tons/year to reach the goal adopted by the 2007 Oregon Legislature of reducing the cancer risk from exposure to diesel emission to one cancer in a million individuals over a lifetime of exposure by 2017.		
Outputs	1)	The Portland Air Toxics Solutions (PATS) project report contains information on 16 different pollutants from all sources and dispersion modeling for concentrations. The report is complete and will be vetted for public comment and presented to the EQC in the summer of 2012.
	2)	DEQ programs will work together to develop and implement DEQ's agency toxics reduction program. The agency program will help prioritize toxics reduction work across media boundaries, including consideration of air depositions of air toxics on water and land.

Core Work	1)	DEQ will periodically submit a National Emission Standards for Hazardous Air Pollutant delegation request to EPA. The request will generally be for all NESHAPs adopted by EPA and in the CFR published July 1 of the previous year. In 2012, DEQ plans to update its adoption of existing NESHAPs, adopt the boiler and gold mine ore processing and production NESHAPs and update rules that implement the gasoline dispensing facility NESHAP. DEQ will develop an implementation plan for the stationary reciprocating internal combustion engine NESHAP.
	2)	DEQ will operate and maintain one state funded air toxics monitor. The site is currently located in North Medford, at the Welch & Jackson site.
	3)	DEQ will carry out the asbestos National Emission Standard for Hazardous Air Pollutant. Activities include: certification, accreditation, notification, inspections, compliance and enforcement.
	4)	DEQ will continue to implement National Emission Standards for Hazardous Air Pollutants rules by incorporating them into air permits, providing technical assistance, conducting inspections, evaluating compliance and taking enforcement actions when appropriate.
	5)	DEQ and EPA will maximize information sharing and explore innovative implementation options for area source Maximum Achievable Control Technologies or MACT.
	6)	DEQ will compare the air toxics emissions that companies report to the Toxic Release Inventory to DEQ's calculated emission inventory data to support TRI improvements as well as state emission inventory knowledge.
	7)	DEQ will continue to implement the Oregon Clean Diesel grant program as funding allows. DEQ will focus on spending the 2008-2011 grant funds.
	8)	DEQ will continue to participate in West Coast Diesel Collaborative workgroups to build partnerships that will help DEQ have a successful program.
Reporting	1)	DEQ will provide EPA's Air Quality Subsystem with air toxics data quarterly, submitted within 120 days of the end of the quarter.
	2)	DEQ will continue to report toxic emission inventory to EPA as outlined in the reporting section of Objective 1.

Objective 5: Improve visibility in federal Class I Areas, and work to protect visibility in Columbia River Gorge National Scenic Area.

Outcome Measure

- No worsening of visibility on the clearest days in Crater Lake National Park and Oregon's wilderness areas.

Outputs	1)	From late 2012 through 2013 DEQ will work on developing its next regional haze progress report.
Core Work	1)	DEQ has been reviewing Western Regional Air Partnership work products and will continue to do so over the next several years, with the objective to incorporate new information from that group as part of the scheduled update to the regional haze plan in 2013.
	2)	Gorge air quality will now be tracked primarily through the periodic regional haze updates. DEQ remains available to meet as needed with EPA, federal land managers and tribal nations to discuss Gorge air quality issues.
	3)	DEQ will continue to operate the existing visibility monitoring network at Crater Lake, Mt. Hood, NE Portland and Big Lake. With the reduction of field burning in the Willamette Valley, DEQ is considering the shutdown of the visibility site at Big Lake in the Central Cascade Mountains as a budget saving measure.

APPENDIX A: AIR QUALITY PROGRAM COMPONENT

Objective 6: Maintain an effective compliance assurance program that contributes to prevention and reduction of pollution and protection of public health.	
Outcome Measure • Compliance and enforcement program meets the national goals set forth in the Clean Air Act Compliance Monitoring Strategy and the Timely and Appropriate Enforcement Response to High Priority Violations.	
Outputs	1) The compliance component of the air program will be conducted in accordance with the Compliance Assurance Agreement dated May 2002.
	2) DEQ and EPA will work together to update and renew the May 2002 Compliance Assurance Agreement by June 30, 2013.
	3) DEQ will meet requirements of the Compliance Monitoring Strategy by submitting an annual inspection list. The deadline for annual submittal is June 1st.
	4) DEQ will take steps to address areas for improvement or that need attention identified in the 2011 State Review Framework.
Core Work	1) DEQ and EPA will participate in annual compliance planning meetings. Discussion topics for the meeting will include: work share opportunities; roles and responsibilities; national, regional and state priorities; trends in data; changes in national guidance; changes in DEQ compliance and enforcement guidance; joint compliance and enforcement activities and planned inspection activities (i.e. mentoring, oversight, joint).
	2) DEQ and EPA will participate in periodic conference calls to discuss high priority violations, as well as policy and strategy issues.
	3) Violations detected at major sources will be resolved by DEQ in accordance with the EPA "Timely and Appropriate Enforcement Response Guidance for High Priority Violations."
	4) Each year DEQ will work with EPA to ensure that compliance and enforcement data (annual data set) is accurate in anticipation of the annual public compliance and enforcement data release through EPA's website, Enforcement and Compliance History Online.
Reporting	1) DEQ will submit a monthly report on the status of high priority violations.
	2) DEQ will continue utilizing the universal interface for monthly reporting of compliance evaluations, compliance certifications, and stack tests. If necessary, DEQ will conduct a special universal interface upload to the AIRS Facility Subsystem for federal second and fourth quarter reportables.
	3) DEQ will provide AIRS Facility Subsystem data in a timely fashion, completing the annual input by the required timeframe.
	4) DEQ will continue to enter the applicable Subparts for New Source Performance Standards, National Emission Standards for Hazardous Air Pollutants and Maximum Achievable Control Technology sources in the AIRS Facility Subsystem.

APPENDIX B: HAZARDOUS WASTE PROGRAM COMPONENT

In a time of diminishing resources, leveraging limited resources to maximize environmental gains is essential. This hazardous waste work plan highlights priorities DEQ and EPA commit to doing through partnership and a collective interest in supporting and engaging in compliance and beyond compliance efforts. This Performance Partnership Agreement work aligns well with:

- DEQ's priorities to use initiatives to ensure safe management and reduction of hazardous waste and toxic chemicals, and to continuously improve and innovate to achieve greater efficiencies and environmental gains; and
- EPA's Strategic Plan Goal 3, Cleaning up Communities and Advancing Sustainable Development and Goal 5, Enforcing Environmental Laws
- DEQ and EPA agree to review, discuss and modify the Memorandum of Agreement to ensure consistency with any State program modifications in connection with annual State grant work program or PPA.

HAZARDOUS WASTE PROGRAM

The purpose of the Hazardous Waste Program is to protect human health and the environment by reducing the generation and ensuring safe management of hazardous waste and toxic chemicals. The Oregon program accomplishes its goals through its three priorities:

A. Hazardous Waste Initiatives
B. Safe Management and Reduction of Hazardous Waste and Toxics
C. Hazardous Waste Improvement and Innovations

Priority A: Hazardous Waste Initiatives

The Hazardous Waste Program's integrated compliance strategy emphasizes the value of forming collaborative partnerships with Oregon businesses, communities, governmental agencies and other programs within DEQ, to produce environmental results. Strategic initiatives, such as sector- and geographic-focused projects, are examples of those partnerships. Examples of priority initiatives for DEQ and the program are the:

Toxics Reduction Strategy: While ensuring safe management of hazardous waste is critically important, it is equally important to work with businesses to reduce the use of toxic chemicals. DEQ recently completed its draft Toxic Reduction Strategy. The Program is making this recommended action its priority focus, "I-2 Prioritize and direct business sector or geographic-based toxics use reduction technical assistance activities using Focus List chemical data, and integrate those individual assistance programs where appropriate." The Hazardous Waste Program has begun a process to integrate actions listed in the Strategy into inspections, technical assistance and other program activities.

Auto wreckers Outreach: DEQ plans to create a reference guide designed to help Oregon automobile recyclers comply with environmental regulations that govern their industry. The focus of this document is waste management, emphasizing hazardous waste and other waste reduction. While distributing the guide, DEQ plans to provide training workshops and technical assistance outreach followed by a compliance inspection strategy.

The Hazardous Waste Program will be doing several other initiatives based on the prioritization process completed in early 2012. DEQ will be modifying the Program Purpose and Priorities planning document to reflect prioritization and to identify, track and measure outcomes.

APPENDIX B: HAZARDOUS WASTE PROGRAM COMPONENT

Priority B: Safe Management and Reduction of Hazardous Waste and Toxics

DEQ achieves this priority in many ways, but primarily through its:

Compliance Inspections
The program focuses compliance inspection efforts primarily on large quantity generators, small quantity generators, treatment storage and disposal facilities (TSDFs), high priority complaints, and non-notifiers.

As part of this commitment, DEQ will inspect a minimum of 20 percent of large quantity generators per year with a goal of inspecting 100 percent of the large quantity generator universe every five years as per EPA RCRA Core Program requirements. When determining the inspections, DEQ will select sites from: 1) The most recent state annual generator report data available, which in alternate years is the same data used for the national Biennial Report of hazardous waste generation and management; and 2) The most current large quantity generators as shown in the agency's HazWaste reporting system.

For TSDF sites that include all operating and post closure facilities that have a compliance evaluation inspection (CEI), a Financial Record Review must also be completed in order for the CEI to be complete. The Financial Record Review can be done separately from the CEI, although the RCRAInfo record must show them completed w/in the same FFY.

DEQ acknowledges the importance of enforcement actions for significant non-compliers to deter non-compliance in the regulated community, and continues to implement a strong enforcement program for this purpose. On December 1, 2011, DEQ updated its Significant Non-Complier Policy at EPA's request. DEQ streamlined the process of adding a facility to the SNC list and made that process more transparent for DEQ inspection and enforcement staff. A facility will receive a SNC designation if any one of the SNC-qualifying factors exists:

- Violation where there is actual exposure or substantial likelihood of exposure to people or the environment from hazardous waste;
- Violation through flagrant or willful action;
- Violation by a chronic violator; or
- Violation that constituted a substantial deviation from a permit, order, or environmental regulation.

DEQ Office of Compliance and Enforcement staff will revisit the checklist later in the process when determining compliance with orders so that facilities that violate one of the factors during the case will receive a SNC designation as appropriate.

Technical Assistance: The Program will continue to provide hazardous waste and related technical assistance to businesses and organizations in Oregon. This work will involve site visits, educational workshops, and supporting initiatives. This work will continue to focus on program priorities, including the priority projects highlighted in the Hazardous Waste Initiatives section. Technical assistance providers, assisted by headquarters, will continue to implement the Toxics Reduction and Hazardous Waste Reduction Program. This will include continued work with the reporting groups to submit the required notices and implementation summaries. Also, the program will upload additional implementation summaries into the recently-created, Web-based Toxics Use & Hazardous Waste Reduction Clearinghouse.

Permitted Facilities: According to the *Statutory and Regulatory Requirements* section in the FY2013 Office of Enforcement and Compliance Assurance (OECA) National Program Manager (NPM) Guidance (February 10, 2012, p.51), RCRA requires minimum inspection frequencies for treatment, storage, and disposal facilities (TSDF) - annually for TSDFs operated by state/local governments, and biennially for non-governmental TSDFs. Those TSDFs which are federally owned and/or operated must also be inspected

annually. RCRA01 and RCRA01.s apply to TSDFs owned or operated by non-governmental entities, and to TSDFs owned but not operated by state/local/tribal governments. RCRA03 applies to TSDFs operated by state/local/tribal governments. The inspections performed under these RCRA commitments should generally be Compliance Evaluation Inspections (CEIs). In order to meet the TSDF inspection requirement, a CEI and a Financial Record Review (FRR) of the facility's financial assurance documentation must be completed in the same federal fiscal year.

The RCRA core program Compliance Monitoring Strategy (CMS) allows states to conduct Focused Compliance Inspections (FCIs) in lieu of CEIs at TSDFs if the states have approval from their Region and the TSDF meets the established requirements (i.e., has been inspected at least two times and has no significant noncompliance).

DEQ's and EPA's specific permitting activities are outlined in the work plan that follows this narrative The strategic objective for permitting activities is to, "Prevent releases and safely manage hazardous waste by updating approved controls by renewing permits and other actions at Treatment, Storage and Disposal Facilities."

Corrective Action Activities
During this PPA cycle, DEQ and EPA agree to discuss, review and update the *Corrective Action Strategy* dated October 2000 to ensure consistency, and to incorporate it into the DEQ/EPA *Memorandum of Agreement* dated March 19, 2002.

DEQ's and EPA's specific corrective action activities are outlined in the work plan that follows this narrative. In the meantime, consideration will be given to OECA's National Enforcement Priorities related to corrective action covered in the Other Activities and Considerations section. The corrective action program agreements will be updated as described in the Joint Agreements section.

Priority C: Hazardous Waste Improvement and Innovations

The Hazardous Waste Program strives to achieve greater environmental gains and program efficiency through improvements and innovations. The projects that currently support this work include the:

Field Activities Manual: The Hazardous Waste Field Activities Manual is meant as an all-inclusive desk manual for new employees and experienced field staff to provide the procedural and technical guidance for conducting compliance inspections and technical assistance site visits. The goals of this effort is to improve consistency and completeness of inspections by having all hazardous waste staff use the same inspection and site visit documents and procedures. The Manual will have links to all relevant web pages and word documents and be available on the DEQ Intranet.

Expedited Enforcement Offers (EEOs) Program: DEQ's updated Hazardous Waste and Used Oil Enforcement Guidance signed on January 24, 2012 officially began the Hazardous Waste Program's Expedited Enforcement Offers (EEO) Program. Over the next two years as DEQ inspects facilities, EEOs should be an additional tool that serves to deter non-compliance and reduce resources spent by DEQ or the affected facility on enforcement actions, including referrals, drafting penalty orders and addressing informal discussion and penalty order appeals.

Policy Project: DEQ is currently looking comprehensively at all of its policies. The Policy Project is a phased approach that will: 1) Create needed policies; 2) update existing but outdated policies and fact sheets; and 3) centrally locate policies and fact sheets for both the public and internal users to easily learn DEQ's position on any relevant hazardous waste policy issue. DEQ will conduct this project in three

phases over this PPA period. First, staff will update those policies and fact sheets for where there is consensus on the approach. Next, a team will prioritize and create those policies needed for the program to properly interpret, implement and enforce RCRA. Finally, a follow-up group will update the remaining policies and create a process for timely updates of all existing policies going forward.

Other Activities and Considerations

EPA State Review Framework

Region 10 and DEQ will complete the annual review of RCRAInfo compliance and enforcement data in this PPA period to maintain program consistency until the next review in 2015. The annual data verification process helps ensure that the State Review Framework (SRF) rests on a solid foundation of quality data, that states get credit for their activities, and that the public receives accurate information via the Enforcement and Compliance History Online (ECHO) and other public websites. After the data verification period is complete, a set of verified data will be frozen and used for various purposes, including the SRF reviews.

Rules and Authorization

DEQ's last major adoption of Federal rules covered rules promulgated through June 30, 2007. During the performance period of this grant, DEQ will maintain authorization and coordinate with EPA to review those federal rules subsequently promulgated by EPA, with a view toward their state rule adoption. However, DEQ will be working toward getting on the state rulemaking agenda in 2013. DEQ's last federal authorization program revision became effective on January 7, 2010, and during this performance period DEQ will continue to identify and update any programmatic changes to the federally-approved Program Description in preparation for the next authorization revision application submittal.

RCRA "All States Meeting"

DEQ, with EPA assistance, will host the July 2013 RCRA "All States" Meeting in Oregon. Coordination and development of meeting agenda and logistics with R10 states and EPA will begin in spring 2013.

National Enforcement Priorities

DEQ and EPA will work collaboratively to implement the OECA Compliance Monitoring Strategy for the RCRA Subtitle C Program (January 2010).

Issues of emerging environmental concern to EPA and communities are listed here. These focus areas should be considered a high priority for Regions and states when developing strategies for targeting compliance assurance work. These should also specifically be discussed between authorized states and Regions when developing annual plans for respective activities in the Region. The areas of concern are:

Surface Impoundments: EPA, with support from authorized states, continues to focus on problems associated with illegal disposal of hazardous waste in unlined surface impoundments. There are thousands of industrial surface impoundments across the country, many of which adversely impact communities through air, surface water, and/or groundwater contamination, particularly in the chemical manufacturing and petroleum refining sectors.

Centralized Waste Treatment Facilities: These facilities conduct treatment of industrial solid waste from third-parties. Through recent inspections, EPA has identified several such facilities that were grossly mismanaging hazardous wastes, and treating and discharging these wastes without permits. This area of

concern will include a focus on wastewater treatment units. EPA will work with DEQ to identify the wastewater treatment types in Oregon that EPA considers priorities; EPA will work with DEQ to identify those facilities and determine an inspection schedule.

Hazardous Waste Recycling Facilities: EPA supports the environmentally beneficial recycling of hazardous wastes and secondary materials. However, sham recycling and recycling not done in compliance with RCRA requirements can result in significant adverse impacts to human health and the environment. This area of concern will include a focus on zinc fertilizer manufacturing that uses hazardous waste in the production process.

Coke Manufacturing [not applicable to Oregon]

Waste Analysis Plans at Commercial TSDFs: EPA has conducted sampling at TSDFs to determine if the facilities' waste analysis plans and treatment of the waste were adequate. Based on the results of the sampling, concerns have been identified with the treatment and stabilization techniques and the sampling and analysis of hazardous waste treated to meet the Land Disposal Restriction (LDR) treatment standards for land disposal.

RCRA Corrective Action: To help achieve the RCRA Corrective Action 2020 Goals, EPA and authorized states should focus enforcement resources on facilities that have not made meaningful progress in achieving remedial objectives, and on financially marginal or bankrupt facilities. To ensure that meaningful cleanup progress is being made at all facilities subject to corrective action, Regions and authorized states should be monitoring compliance with orders and permits, identifying substantial noncompliance with such instruments, and taking enforcement actions where appropriate. When monitoring compliance with orders and permits, Regions should use electronic reporting tools whenever feasible.

Regions must commit to inspect at least one (1) RCRA corrective action financial assurance instrument per state each year with at least 50% being financial test or corporate guarantee reviews. Where the submission is noncompliant, take appropriate enforcement action to address noncompliance (e.g., notice of violation). Or, where appropriate, work with the state to ensure appropriate action is taken to address noncompliance. If possible, return facility to compliance by end of fiscal year.

EPA will coordinate roles and responsibilities with DEQ as specific inspection plans and activities are identified for the areas of concern listed above, as well as those preliminarily identified by EPA which may inform decisions regarding new areas of concern. DEQ will make an effort to contribute to OECA national sector priorities and will represent state concerns, but state resources may be allocated to implementing state environmental priorities first.

Joint Agreements on Agency Communication and Coordination

DEQ and EPA have established agreements on information sharing, communication and reporting. During the term of this agreement, the agencies will begin a review of these agreements, and either reaffirm, update or delete them as appropriate. DEQ and EPA will begin updating the *Corrective Action Communication Strategy* dated October 2000. The two agencies also agree to update the *DEQ/EPA Memorandum of Agreement* dated March 19, 2002, since they are closely related and interdependent.

The agencies will continue to hold quarterly meetings to share our progress, plan work efforts and resolve issues. Disputes on roles and responsibilities will be elevated through the lines of communication described in the **EPA/DEQ Hazardous Waste Program Issue Resolution Process.**

At the end of the first fiscal year, DEQ and EPA will check on progress and negotiate any shifts in resources to reflect priority activities for the following year. The agencies agree to modify the work plan based on shifts in

priority work or the addition of new work, such as EPA's enforcement priorities, and to accommodate changes to the hazardous waste program budget that may occur. At the end of the agreement, each agency will provide a report summarizing key accomplishments during the duration of the agreement.

The following specific agreements are incorporated by reference:

RCRA Data Management Agreement – 12/15/2011
DEQ/EPA Memorandum of Agreement – 3/19/2002
Corrective Action Communication Strategy – 10/2000
EPA RCRA Inspections in Oregon: Definitions and Agency Roles – 3/28/2001
Issue Resolution Process – 5/5/2011

DEQ and EPA agree to review these agreements regularly. At the completion of each review, a follow-up review will be scheduled in four years, with the exception of the DEQ/EPA MOA which will be reviewed as part of the Agencies' PPA planning cycle.

APPENDIX B: HAZARDOUS WASTE PROGRAM COMPONENT

2012-2014 PPA: Hazardous Waste Program Work Plan

EPA STRATEGIC PLAN GOAL 3: CLEANING UP COMMUNITIES AND ADVANCING SUSTAINABLE DEVELOPMENT; AND
EPA STRATEGIC PLAN GOAL 5: ENFORCING ENVIRONMENTAL LAWS
TOTAL DEQ FTE FOR THIS COMPONENT: 5.66. RESOURCES BUDGETED BIENNIALLY: $1,845,200. PLEASE REFER TO ATTACHED BUDGET NARRATIVE FOR ADDITIONAL DETAIL ABOUT FTE AND RESOURCES.

DEQ HW PRIORITY A, GOAL 1: STATEWIDE AND REGIONAL PRIORITIES & EPA OBJECTIVE 3.2: PRESERVE LAND			
DEQ HW ACTIVITIES	**EPA ACTIVITIES**	**TIMEFRAME**	**COMMITMENT MEASURES**
IMPLEMENT THE DEQ TOXICS REDUCTION STRATEGY	COORDINATE WITH POLLUTION PREVENTION PROGRAM EFFORTS ON TOXICS REDUCTION	JUNE 30, 2014	INTEGRATE STRATEGY INTO PROGRAM PROJECT PRIORITIES, AND CONSIDER THE STRATEGY WHEN PLANNING NEW PROJECTS.

DEQ HW PRIORITY B, GOAL 1: COMPLIANCE AND ENFORCEMENT & EPA OBJECTIVE 5.1: ENFORCE ENVIRONMENTAL LAWS			
DEQ HW ACTIVITIES	**EPA ACTIVITIES**	**TIMEFRAME**	**COMMITMENT MEASURES**
CONDUCT LARGE QUANTITY GENERATOR (LQG) INSPECTIONS PER NATIONAL GUIDANCE AND OTHER INSPECTIONS TO ADDRESS PRIORITY AREAS AND TAKE NECESSARY ENFORCEMENT ACTIONS.	CONDUCT LQG INSPECTIONS PER NATIONAL GUIDANCE AND OTHER INSPECTIONS TO ADDRESS PRIORITY AREAS AND TAKE NECESSARY ENFORCEMENT ACTIONS. COORDINATE SPECIFIC SITES AND DATES WITH DEQ.	CONTINUOUS	DEQ WILL INSPECT 20 PERCENT OF 2011 LQG UNIVERSE, AND EPA CONDUCT 9 INSPECTIONS IN THE FIRST YEAR. BOTH AGENCIES WILL NEGOTIATE SECOND YEAR TARGETS IN AUGUST 2013. REPORT TO EPA BY OCTOBER 30 OF EACH YEAR AND COMPLETE RCRAINFO DATA VERIFICATION PROCESS.
CONDUCT TREATMENT, STORAGE AND DISPOSAL FACILITY (TSDF) INSPECTIONS PER NATIONAL GUIDANCE AND OTHER INSPECTIONS TO ADDRESS PRIORITY AREAS AND TAKE NECESSARY ENFORCEMENT ACTIONS.	CONDUCT TSDF INSPECTIONS PER NATIONAL GUIDANCE AND OTHER INSPECTIONS TO ADDRESS PRIORITY AREAS AND TAKE NECESSARY ENFORCEMENT ACTIONS. COORDINATE SPECIFIC SITES AND DATES WITH DEQ.	CONTINUOUS	INSPECT 50% OF OPERATING TSDF ANNUALLY. INSPECT FEDERAL FACILITIES ANNUALLY. NEGOTIATE EPA INSPECTIONS ANNUALLY IN AUGUST FOR ANNUAL COMMITMENT SYSTEM TARGETS. COMPLETE FINANCIAL RECORD REVIEWS IN

			CONJUNCTION WITH CEIS. REPORT TO EPA BY OCTOBER 30 OF EACH YEAR AND COMPLETE RCRAINFO DATA VERIFICATION PROCESS.
INSPECT SMALL QUANTITY GENERATORS (SQGS)	PROVIDE TECHNICAL ASSISTANCE AS APPROPRIATE.	CONTINUOUS	MEASURE TOTAL SQGS INSPECTED AND PERCENTAGE INSPECTED USING 2011 SQG UNIVERSE.
INSPECT CONDITIONALLY EXEMPT GENERATORS (CEGS)	PROVIDE TECHNICAL ASSISTANCE AS APPROPRIATE.	CONTINUOUS	INSPECT CEGS, INCLUDING THOSE THAT MAY BE A NON-NOTIFIER.
INSPECT NON-NOTIFIERS	PROVIDE TECHNICAL ASSISTANCE AS APPROPRIATE.	CONTINUOUS	INSPECT NON-NOTIFIERS WHEN IDENTIFIED.
INSPECT HIGH PRIORITY COMPLAINTS	PROVIDE TECHNICAL ASSISTANCE AS APPROPRIATE.	CONTINUOUS	TOTAL NUMBER OF HAZARDOUS WASTE COMPLAINTS, TOTAL NUMBER OF SITE VISITS DUE TO HAZARDOUS WASTE COMPLAINTS AND PERCENTAGE TO SITE VISITS DUE TO A HAZARDOUS WASTE COMPLAINT.
ENSURE THAT SNC DESIGNATIONS ARE MADE APPROPRIATELY AND THAT DATA IS UPDATED ACCORDING TO THE SNC POLICY.	DISCUSS SNC DESIGNATIONS AND WATCH LIST FACILITY ENFORCEMENT RESPONSES	QUARTERLY	APPLY THE NEW SNC POLICY AND PROCESS. TRACK AND REVIEW TOTAL NUMBER OF ACTIVE AND INACTIVE SNCS, INCLUDING THOSE WITH A REPEAT SNC DESIGNATION.

DEQ HW PRIORITY B, GOAL 2: PERMIT TSD FACILITIES & EPA OBJECTIVE 3.2: PRESERVE LAND			
DEQ HW ACTIVITIES	**EPA ACTIVITIES**	**TIMEFRAME**	**COMMITMENT MEASURES**
EVALUATE FINANCIAL ASSURANCE SUBMITTALS FOR 9 FACILITIES THROUGHOUT THE YEARS.	FOLLOW-UP TO NON-COMPLIANCE IN CONSULTATION WITH DEQ	ANNUALLY WHEN FACILITIES SUBMIT ASSURANCES	COMPLIANCE DETERMINATIONS AND APPROPRIATE ENFORCEMENT.
LOCKHEED MARTIN – ISSUE FINAL RENEWAL PERMIT	TIMELY REVIEW OF PERMIT REVISIONS AND SUBMITTAL OF COMMENTS ON THE PERMIT AND FIVE YEAR CERCLA REVIEW.	SEPTEMBER 30, 2013	PREVENT RELEASES AT HAZARDOUS WASTE MANAGEMENT FACILITIES WITH UPDATED CONTROLS.

UMATILLA CHEMICAL AGENT DISPOSAL FACILITY – MODIFY PERMIT TO APPROVE AND INCLUDE CLOSURE PLAN AND MAINTAIN CLOSURE TRACK DATA IN RCRAINFO	TIMELY REVIEW AND COMMENT FOR CLOSURE PLAN SUBMITTALS	SEPTEMBER 30, 2012	PREVENT RELEASES AT HAZARDOUS WASTE MANAGEMENT FACILITIES WITH UPDATED CONTROLS.
EVANITE – ISSUE FINAL RENEWAL PERMIT	TIMELY REVIEW OF PERMIT	SEPTEMBER 30, 2012	PREVENT RELEASES AT HAZARDOUS WASTE MANAGEMENT FACILITIES WITH UPDATED CONTROLS.

DEQ HW PRIORITY B, GOAL 3: CORRECTIVE ACTION SITES & EPA OBJECTIVE 3.3: RESTORE LAND			
DEQ HW ACTIVITIES	**EPA ACTIVITIES**	**TIMEFRAME**	**COMMITMENT MEASURES**
UNIVAR PORTLAND (VWR) – TECHNICAL COORDINATION AS NEEDED	EPA-LEAD OVERSEE FACILITY CONSTRUCTION OF THE MODIFIED REMEDY	JUNE 30, 2014	INCREASE THE NUMBER OF RCRA FACILITIES WHERE THE SITE IS READY FOR ANTICIPATED USE CA800.
BARON BLAKESLEE – SUBMIT A REMEDIAL SYSTEM CONSTRUCTION REPORT TO VERIFY CONSTRUCTION COMPLETE	TECHNICAL ASSISTANCE	JUNE 30, 2013	INCREASE THE PERCENT OF RCRA FACILITIES WITH FINAL REMEDIES CONSTRUCTED CA550.
PERMAPOST – COMPLETE REMEDY SELECTION	TECHNICAL ASSISTANCE	JUNE 30, 2014	INCREASE THE PERCENT OF RCRA FACILITIES WITH FINAL REMEDIES CONSTRUCTED CA400. REMEDY SELECTED IS PRECURSOR TO CONSTRUCTION.
EVRAZ – COMPLETE ENVIRONMENTAL INDICATOR DETERMINATION FORMS	TECHNICAL ASSISTANCE	JUNE 30, 2014	INCREASE THE PERCENT OF RCRA FACILITIES WHERE HUMAN EXPOSURES TO TOXINS ARE UNDER CONTROL CA725, INCREASE THE PERCENT OF RCRA FACILITIES WITH MIGRATION OF CONTAMINATED GROUNDWATER UNDER CONTROL CA750.
JH BAXTER EUGENE – COMPLETE ENVIRONMENTAL INDICATOR DETERMINATION FORMS	TECHNICAL ASSISTANCE	SEPTEMBER 30, 2012	INCREASE THE PERCENT OF RCRA FACILITIES WHERE HUMAN EXPOSURES TO TOXINS ARE UNDER CONTROL CA725, INCREASE THE PERCENT OF RCRA FACILITIES WITH

			MIGRATION OF CONTAMINATED GROUNDWATER UNDER CONTROL CA750.
SAFETY KLEEN SPRINGFIELD – RESEARCH WHETHER THE ENVIRONMENTAL INDICATOR DETERMINATION FORMS HAVE BEEN COMPLETED	GET SUPPORTING DOCUMENTATION FOR RCRAINFO DATA.	SEPTEMBER 30, 2012	INCREASE THE PERCENT OF RCRA FACILITIES WHERE HUMAN EXPOSURES TO TOXINS ARE UNDER CONTROL CA725, INCREASE THE PERCENT OF RCRA FACILITIES WITH MIGRATION OF CONTAMINATED GROUNDWATER UNDER CONTROL CA750. RETRIEVE MISSING DOCUMENTATION FROM ARCHIVE OR RECREATE, AS TIME ALLOWS. ORIGINAL DATA ENTERED INTO RCRAINFO IN 2002.
EVANITE - COMPLETE ENVIRONMENTAL INDICATOR DETERMINATION FORMS	TECHNICAL ASSISTANCE	SEPTEMBER 30, 2012	INCREASE THE PERCENT OF RCRA FACILITIES WHERE HUMAN EXPOSURES TO TOXINS ARE UNDER CONTROL CA725, INCREASE THE PERCENT OF RCRA FACILITIES WITH MIGRATION OF CONTAMINATED GROUNDWATER UNDER CONTROL CA750.
BOEING – EVALUATE WORK COMPLETED CRITERIA	TECHNICAL ASSISTANCE FOR READY FOR ANTICIPATED USE	TBD	INCREASE THE NUMBER OF RCRA FACILITIES WHERE CORRECTIVE IS COMPLETE AND THE SITE IS READY FOR ANTICIPATED USE CA800 AND CA999.
CASCADE WOOD – EVALUATE WITH THE READY FOR ANTICIPATED USE FORM AND CORRECTIVE ACTION COMPLETE CRITERIA	TECHNICAL ASSISTANCE FOR READY FOR ANTICIPATED USE	TBD	INCREASE THE NUMBER OF RCRA FACILITIES WHERE CORRECTIVE IS COMPLETE AND THE SITE IS READY FOR ANTICIPATED USE CA800 AND CA999.

APPENDIX B: HAZARDOUS WASTE PROGRAM COMPONENT

DEQ HW Priority C, Goal 2: Improve Data Management & EPA Objectives 3.2, 3.3, 5.1			
DEQ HW Activities	**EPA Activities**	**Target Date**	**Program Measures**
RCRAInfo data analysis and update using the permit event trigger report	Data analysis technical assistance	June 30, 2013	Prevent releases at hazardous waste management facilities with updated controls.
Use the National Environmental Information Exchange Network to transfer data to RCRAInfo.	Ensure CDX technical assistance is available to execute this project.	December 1, 2013	Secure Internet- and standards-based way to support electronic data reporting, sharing, and integrating regulatory environmental data.

DEQ HW Priority C, Goal 3: Evaluate and Streamline Program Activities & EPA Objectives 3.2, 3.3, 5.1			
DEQ HW Activities	**EPA Activities**	**Target Date**	**Program Measures**
Review 2 joint agreements on agency communication and coordination	Continue to review and collaborate with EPA on joint agency communication and coordination agreements.	June 30, 2014	All agreements reaffirmed, updated or deleted, with the exception of the MOA which can be modified but never deleted.
Revise Hazardous Waste Field Activities Manual	Review and comment	June 30, 2013	Completed and distributed Manual to program staff for use.
Implement the Expedited Enforcement Offers (EEOs) Program	Cross –reference to the authorized program description	Continuous	Implemented EEO program statewide.
Further develop the Policy Project	Review and comment	September 30, 2013	Created new policies. Updated existing but outdated policies and fact sheets. Centrally located policies and fact sheets for use by the public and agency staff.
Host regional All-States Meeting	Support All-States Meeting planning	Summer 2013	EPA Strategic Plan: Strengthening State, Tribal, and International Partnerships.

WATER QUALITY PROGRAM

The water quality program's mission is to protect and improve Oregon's water quality. Protecting Oregon's rivers, streams, lakes, estuaries and groundwater quality keeps these waters safe for multiple beneficial uses such as drinking water, fish and aquatic wildlife habitat, recreation and irrigation. This is accomplished by developing and implementing water quality standards and clean water plans, regulating wastewater treatment systems and industrial dischargers, collecting and evaluating water quality data, providing grants and technical assistance to reduce nonpoint pollution sources, and providing loans to communities to prevent or mitigate water pollution. The availability of clean and healthy water is critical to Oregon's environment and economy. In recent years, state and federal funding for DEQ's clean water work has declined – both in real dollars and in what those dollars buy.

The funding decline, combined with the growing complexity of federal Clean Water Act requirements and costly third party litigation, has eroded DEQ's resources for developing water quality standards, conducting water quality monitoring, developing and implementing Total Maximum Daily Loads (TMDLs), issuing and enforcing permits, and protecting groundwater. Less visible, but just as important, the program's data management systems are antiquated and in need of upgrades to improve their performance and efficiency.

Currently it is unrealistic to expect any increase in funding or decrease in workload. As such, the water quality program is going through a challenging phase of self-examination to determine how best to retool and sustainably fund the program to deliver essential services in the most efficient way. Several activities and initiatives currently underway will help to shape the program's future, including the following:

- Executive-level budget discussions to determine how to allocate limited agency resources, including the PPG, to address high priority work. By necessity, these discussions will also lead to decisions about what work the agency will stop doing.

- Significant investment is committed to outcome-based management. Outcome-based management is a system for setting goals for the agency's core work, or day-to-day operations, and for developing and using performance measures in order to demonstrate if the agency is meeting those goals. DEQ will use the performance measure data to inform us how and when to improve our services and environmental results.

- An agency-wide Information Technology visioning effort to develop a plan that describes a 2022 vision for information technology and what capabilities DEQ would need to have in place and by what date to achieve that 2022 vision.

- Initiation of a Blue Ribbon Committee-like effort to engage stakeholders in a discussion about how to "right size" and sustainably fund the water quality program.

One retooling effort already underway in the water quality program involves an increased emphasis on the "watershed approach" as a way to better identify and address high priority water quality issues in a basin or region. The watershed approach combines the expertise of DEQ's 17 water quality sub-programs to produce basin-based assessments that are data-driven and contain quantitative elements that describe water quality conditions and include recommendations for actions that DEQ and others can take to improve water quality. DEQ uses these assessments to work with local stakeholders, such as communities, watershed councils and conservation districts, as well as local, state and federal agencies, to

find smart solutions to local water quality issues. This effort aligns with EPA's national strategy to Improve Water Quality on a Watershed Basis in the 2012 National Program Manager's guidance.

Compliance and Enforcement

For this biennial agreement, DEQ and EPA intend to explore ways to work together on implementing compliance and enforcement priorities.

DEQ and EPA intend to jointly develop an annual integrated NPDES workplan as defined in the CWA Action Plan and subsequent guidance. Plans will be drafted by October 31st of each year and will include stressors, priorities, action for integration, available mechanisms to do the work between the two agencies, roles and responsibilities, and performance measures.

Enforcement priorities for water are guided by National Enforcement Initiatives and the Clean Water Act Action Plan, as well as DEQ and EPA regional priorities. Action Plan measures focus on targeting the most important water pollution problems, strengthening EPA oversight of State enforcement, and improving public transparency.

Site inspections, compliance assurance, and enforcement are key elements of DEQ's NPDES permitting program. Compliance inspections for major and non-major sources are scheduled on the watershed permitting cycle. Consistent with EPA's Compliance Monitoring System, offsite evaluations and targeted inspections of other permitted sources are based on environmental outcomes and other criteria; sources with compliance schedules, mutual agreement and orders, or technical assistance needs are prioritized. Enforcement actions follow guidance directives to ensure statewide consistency. Striking a balance between permit issuance and compliance assurance commitments is necessary to set realistic program expectations and effectively use WQ permitting resources.

This 2012-2014 PPA reflects the significant effect that resource constraints are having on the program, particularly in the wastewater permitting program. But all of the DEQ initiatives described above are still playing out and could potentially affect DEQ's ability to deliver on all of its PPA commitments. In light of that, the water quality program intends to regularly apprise EPA of developments on any of these fronts that could have an effect on the joint PPA commitments and to ensure that EPA is accepting of any proposed changes.

DEQ's current Water Quality Program priorities include the following:

Working with state, local and national partners on water quality, water quantity and ecosystem protection.

DEQ is committed to developing and leveraging partnerships with other agencies and organizations to achieve desired environmental outcomes in the most cost-effective manner. Examples of this include many of the Nonpoint Source Success Stories that resulted from the coordinated efforts of various agencies, communities, watershed councils and landowners. Water quality trading is another example, such as the City of Medford's wastewater permit, that relies upon the coordinated efforts of The Freshwater Trust and the Willamette Partnership to ensure compliance with permit requirements and costs half as much as a traditional, engineered approach. These types of partnerships are evident throughout this PPA, including several new or expanded initiatives such as the following:

- Development of the Implementation Ready Mid-Coast TMDLs requires a significantly higher level of stakeholder engagement to develop enforceable implementation plans that will be incorporated into the TMDLs.

- Conducting a regional monitoring summit to coordinate and capture data collected by external groups in order to cost-effectively fulfill the data needs of multiple parties.
- Developing and using Watershed Approach Basin Reports as a platform to engage local stakeholders, such as communities, watershed councils and conservation districts, to find smart solutions to local water quality issues.

Working with local communities to protect Oregon's watersheds and provide innovative and efficient wastewater infrastructure.

Many small communities throughout Oregon have outdated or failing wastewater collection and treatment system and/or residences with failing onsite systems. In many cases, the cost of repairs and upgrades are well above what the community or homeowner can afford. If not addressed, these failing systems can present human health risks and pollute surface water and groundwater. The Clean Water State Revolving Fund (CWSRF) loan program hired two regional engineers in 2010 who work directly with small communities to ascertain sustainable wastewater infrastructure needs and incorporate feasible approaches, and to identify available financial options available through financing agencies. The CWSRF program is also in the process of a comprehensive rule review that is acknowledging the need to assist small communities, and is incorporating the principle of integrating traditional "gray" infrastructure with "green" or natural infrastructure projects.

DEQ plans to work with our stakeholders to promote development of integrated plans based upon EPA's integrated planning framework. Guided by DEQ's basin assessments and local community needs and priorities, implementation will allow communities to address Clean Water and Safe Drinking Water Act program requirements that yield highest environmental and public health benefits with a commitment to meet all regulatory obligations.

Supporting and encouraging implementation of clean water action plans (TMDL implementation).

In addition to the development of Implementation Ready TMDLs, DEQ is stepping up its efforts in other ways to ensure TMDL implementation measures result in effective implementation of TMDL implementation plans such as:

- A TMDL Implementation Plan development guidance document for urban and rural residential areas within the Coastal Nonpoint Management Area boundary that will address TMDL responsibilities and new development urban management measures as required by the Coastal Zone Management Act.
- Working with Oregon Department of Agriculture to develop a comprehensive monitoring and evaluation strategy plan for the Agricultural Water Quality Management Program.
- During the biennial review of Agriculture Water Quality Management Area plans and rules, working with ODA and the Local Advisory Committee to incorporate meaningful metrics and benchmarks for meeting load allocations into the plans.

Also, in light of severe resource constraints, DEQ is looking to EPA to fill data gaps remaining from the 2011 sampling for mercury in various fish species from publicly accessible waters in portions of Northeast Oregon. Based on EPA's REMSAD modeling results, this is an important geographic area for assessing mercury levels and risk to human health. Sampling conducted in 2011 was limited in scope; additional sampling and analysis are needed to address critical data gaps in advising those consuming fish from this area. This also fits in with EPA supporting and work-sharing in DEQ's high priority of toxics assessment and reduction and may help move us toward the mercury assessment need previously identified in the Snake River TMDL process. If EPA conducts this additional sampling, DEQ will

continue to collaborate (preferably along with Oregon Health Authority and Oregon Department of Fish and Wildlife) as resources allow.

Monitoring Oregon's water quality to support water quality program needs, identify emerging issues, understand water quality status and trends, and to inform management activities targeted at restoring Oregon's water quality and beneficial uses.

DEQ continues to implement elements of the 2005 Strategy for Monitoring Oregon's Waters. Monitor summits with DEQ staff and external partners were held to communicate DEQ's water quality monitoring activities and to gather input on regional and external monitoring priorities to assist with updating the strategy in 2012. DEQ's current water monitoring activities are collecting data across Oregon.

- DEQ toxics monitoring program continues its risk-based screen for toxic contaminants in Oregon's rivers, streams and lakes. Locations are targeted to identify contaminants in water but may include contaminants in stream bed sediment and fish tissue.
- Long term ambient water quality monitoring of conventional pollutants at fixed stations around the state will continue to identify important trends in water quality. The results are communicated to legislators and land use managers to provide important insights into water quality changes and the factors that are contributing to those changes.
- Reduced TMDL monitoring continues to provide data targeted at TMDL development and some effectiveness monitoring.
- Groundwater monitoring continues in groundwater management areas with nitrate concentrations of concern.
- Beach bacteria monitoring is currently ongoing along the Oregon coast to provide data for beach advisories to protect contact recreation. However, proposed elimination of federal funding may jeopardize DEQ's ability to continue this work.
- DEQ continues to participate in the data collection for the National Aquatic Resource surveys for the nation's waters. Sites for the rivers and streams survey will be supplemented to generate a statistically valid sample for an Oregon assessment.
- Facilitate volunteer monitoring activities through trainings, monitoring plan development, quality control checks and data integration.

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

2012-2014 PPA: Water Quality Program Work Plan

EPA Strategic Plan Goal: Protecting America's Waters

Total DEQ FTE for this component: 180. Of this total, # of FTE supported by the PPG: 46. PPG Resources budgeted: $12,465,189. Please refer to attached budget narrative for additional detail about FTE and resources.

Element 1: Water Quality Standards and Assessments
DEQ contact: Jennifer Wigal
EPA contact: Angela Chung and David Croxton

Establishing water quality standards for waters of the United States in Oregon is at the core of DEQ's water quality activities. Standards include beneficial uses of water, such as drinking, aquatic life, recreation, etc., and the water quality criteria designed to protect those uses. The Water Quality Program then acts to protect and restore water quality by implementing those standards, including evaluating whether Oregon's water quality standards are being met through the development of the biennial Integrated Report, which includes the section 303(d) list of impaired waters and the section 305(b) report describing the status of Oregon's surface water quality. The staff who work on these program areas perform the following activities:

- Conduct triennial standards reviews to establish and update scientifically based water quality standards and related policies.
- Develop and maintain internal directives for and provide guidance to regional and headquarters staff on implementation of water quality standards in various water programs.
- Identify waterbodies not meeting water quality standards and develop Integrated Reports that are linked to the Watershed Approach Basin Reports.

During the performance period, DEQ is piloting an approach to developing its Integrated Report that supports and is linked to its Watershed Approach Basin Reports described in Element 7. DEQ has made these efforts a priority in order to guide the agency's efforts to help protect, improve and enhance the quality of Oregon waterways. The objective of linking the Integrated Report efforts with the Watershed Approach Basin Reports is to ensure that these efforts, together, provide a comprehensive evaluation of water quality and other environmental information resulting in a basin-based water quality status and action plans. In addition, this approach will result in DEQ being able to make the most efficient use of its staff resources.

Environmental Outcome: Adoption and implementation of appropriate water quality standards will contribute to protection of the beneficial uses of Oregon's waterbodies and water quality improvements as measured by water quality monitoring and other environmental data.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
1.1	Complete water quality standards revisions for turbidity.	Provide early review of proposed rule revisions for turbidity. Provide coordination with the Services on early	Final recommendations for revised standards for turbidity presented to the Environmental Quality Commission for	6/2013	Partial	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
		review for revisions that may require consultation.	adoption.			
1.2	Technical support for court decision/litigation for temperature standards package. DEQ will provide supporting information as warranted and any other assistance requested by EPA attorneys. Participate in settlement negotiations if warranted.		Implementation of any consent decrees or court orders that require future action by DEQ.	Ongoing	Partial	
1.3	DEQ will provide information as requested by EPA and participate in discussions and negotiations related to ESA consultation and any proposed State conservation measures.	EPA action on DEQ's toxic pollutants criteria for fish and aquatic life. In taking its action, EPA will consider the Biological Opinions.	Letter of approval or disapproval from EPA to DEQ. Any disapproval will include the reasons for the decision and possible remedies or alternatives.	11/30/2012	Partial	
1.4	Prepare a description of how Oregon addresses nutrient-related water quality issues in its CWA programs.	Assistance with data, analysis and federal requirements related to addressing nutrient impacts to beneficial uses.	DEQ report describing Oregon's approach to addressing nutrients	7/31/2012	Partial	
1.5	Identify and plan next set of standards work to be completed and coordinate priorities and work schedules with EPA.	Provide input to DEQ on standards work needs and priorities. Coordinate with the Services on actions requiring ESA consultation.	Standards work plan that identifies needs and priorities.	12/31/2012	Partial	
1.6	Address water quality standards-related actions (e.g., variances, site-specific background pollutant criteria, water quality standards revisions) arising from implementation of revised human health criteria.	EPA will work with DEQ on any variance requests or other WQS revisions arising from the recent human health criteria revisions.	Variances and other water quality standards revisions.	Ongoing	Partial	
1.7	DEQ will submit Oregon's 2012 and 2014 303(d) list to EPA. DEQ will update Oregon's Integrated Report on water quality and 303(d) List pending EPA's approval. DEQ will distribute	EPA will review and approve updates to 303(d). EPA will extract information from Oregon's databases to populate EPA databases (WATERS, ADB, NAD) and compile information for	Oregon's 2012 and 2014 Integrated Reports and 303(d) lists, and lists of TMDL priorities	7/31/2012, 4/1/2014	Partial	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
	final approved 303(d) list and Integrated Report for agency and public use.	national reports.				
1.8	DEQ will assist EPA to identify relevant data elements and georeferenced information to contribute to EPA's national data roll-ups and national measure target determinations.	EPA will extract information from Oregon's databases to populate EPA databases (WATERS, ADB, NAD) and compile information for national reports.	Oregon Integrated Report	Ongoing	Partial	WQ-7
1.9	DEQ will continue development of approaches to implement narrative criteria for Integrated Reporting.	EPA will support the technical analysis and data review necessary for assessment protocol development. EPA will work with DEQ on approach for waters where narrative criteria are not met but no pollutant is identified for TMDL development.	Updates/new protocols for Oregon Assessment Methodology for Integrated Report on Water Quality Status	Ongoing	Partial	
1.10	DEQ will work to develop an effective and sustainable approach to developing timely Integrated Reports. Such approaches will consider staffing and data infrastructure.	EPA will provide input on approaches and processes as they are developed by DEQ.		Ongoing	Partial	
1.11	Advancing DEQ's watershed approach efforts by syncing up the 2014 Integrated Report with the Watershed Approach Basin Reports.		Oregon Integrated Report and Watershed Approach Basin Reports	Ongoing	Partial	

Element 2 : TMDLS

DEQ contact: Gene Foster
EPA contact: David Croxton

Total Maximum Daily Loads (TMDLs) and Water Quality Management Plans

The federal Clean Water Act requires that water pollutant budgets, called TMDLs, be developed for waterbodies that do not meet water quality standards. TMDLs describe the maximum amount of pollutants from municipal, industrial, commercial and surface runoff sources, including natural background, which can enter the river or stream without violating water quality standards. These estimates are required for waterbodies that have been identified as in violation of one or more water quality standards at some time, and have been included on one of DEQ's 303d lists of water quality limited waterbodies.

Oregon's 303(d) list and TMDL process was the subject of lawsuits brought by environmental groups. Under a consent order signed in 2000, EPA agreed to a timeline that would ensure Oregon completes 1153 TMDLs for waterbodies listed on the 1998 303(d) list or subsequent 303(d) lists by the end of 2010. DEQ met this requirement in 2010, but this does not mean that DEQ's TMDL work is done. The 303(d) list includes additional waterbodies where standards are not being met for one or more pollutants, and others may be added with each update to the 303(d) list (generally every two years). In March 2012, EPA proposed adding 1004 new listings to the 303(d) list, which could greatly expand the scope of the TMDL program.

DEQ develops TMDLs on a basin or subbasin scale (generally on a 3rd field US Geological Survey Hydrologic Unit Code or smaller). These TMDLs address all sources of pollutants when determining allocations of loading for the pollutants being addressed by the TMDL. These allocations are developed through water quality analysis, statistical analysis, and mathematical modeling. Staff in the program conduct all facets of work in collecting, analyzing and presenting results. Staff will also perform public and stakeholder outreach to ensure input when decisions are being made. The combination of outreach and development provides for the transition from development of loading allocations to implementation in permits and watershed plans.

TMDL Wasteload Allocations are implemented through waste limits in permits for point source discharges, and Load Allocations are implemented as planning targets for other sources and designated management agencies. DEQ staff actively implement TMDLs by:

- Revising industrial and municipal wastewater permits to incorporate revised permit limits.
- Working with local communities and the Oregon Department of Agriculture through the Agriculture Water Quality Management Act process to implement the TMDLs effectively on agricultural lands.
- Working with the Oregon Department of Forestry for implementation on state and private forestlands, through the Oregon Forest Practices Act and long range management plans.
- Working with ODA and ODF on quantifying the effectiveness of BMPs to reduce pollutants, such as sediment, temperature, nutrients and bacteria.
- Assisting local governments in developing TMDL Implementation Plans for urban areas.
- Working with the U.S. Forest Service, Bureau of Land Management and other federal agencies on developing water quality restoration plans for lands under their jurisdiction.

Under most circumstances, TMDL Implementation plans for improved water quality rely on cooperation among landowners and land managers within a river basin. Local watershed councils, Soil and Water Conservation Districts or other organizations will serve as community-based coordination points for these united efforts. Agencies and municipalities with jurisdiction over sources of nonpoint source pollution and sources not covered by permit are required to submit TMDL implementation plans to DEQ. These plans describe actions that will be taken to reduce their contribution to Water Quality problems.

During the 2012-2014 PPA/PPG, DEQ will be completing work on several commitments related to the CZARA settlement agreement. Additional nonpoint source pollution control

measures for forestry and onsite septic systems are being developed for Coastal Basins. DEQ will also be completing its first Implementation Ready TMDL for the Mid-Coast basins. Also consistent with CZARA guidance, a minimum of $100,000 in 319 funding will be set aside each year for development of the Coastal Basin TMDLs and BMPs in Oregon.

Environmental Outcome: Development and implementation of TMDLs will contribute to protection of the beneficial uses and meeting water quality standards in Oregon's waterbodies and water quality improvements as measured by water quality data and other environmental data and measures in WQMPs and TMDL implementation plans.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
2.1	Develop TMDLs and WQMPs in accordance with 303(d) list schedule.	Technical Assistance; Review and approve	Issuance of TMDLs for the: - Deschutes Basin - Coquille Basin - MidCoast Basins Issuance of TMDLs for the: -Powder/Burnt Basins -Chetco Basin -Sixes Basin TMDL Revisions for the: Tualatin Subbasin Upper Klamath and Lost River Subbasins	 6/12 3/13 6/13 6/14 9/12 10/12	Partial	WQ-8b
2.2	Implement TMDL Wasteload Allocations in NPDES permits through collaboration with NPDES permit writers.		Pollutant Discharge Limits that will meet WLAs for each permitted discharge.	Ongoing	Partial	
2.3	Implement the Willamette River Basin TMDL. Work with watershed councils, local governments, and other DMAs to develop appropriate management practices and plans for controlling pollutants to the Willamette River. Work with USDA agencies to leverage Farm Bill resources to implement priority best management practices in critical areas.		Completed Implementation plans throughout Willamette Basin that guide management practices, pollutant controls to meet load allocations in TMDLs. Facilitate projects that result in improvements in water quality.	Ongoing	Partial	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
2.4	Implement the Willamette Mercury TMDL (Phase I) using DEQ's Agency Toxics Reduction Strategy, Mercury Reduction Strategy and mercury source characterization work to help identify priorities and strategies. Work with stakeholders to identify sources and implement strategies to reduce mercury in the environment. Work with EPA Region 10 to develop and implement Region 10's Mercury Strategy Framework.		Complete characterization of mercury sources in Willamette basin and data required for final modeling.	Ongoing	Partial	SP-12
2.5	Implement TMDLs for Nonpoint Sources in subbasins where TMDLs/WQMPs have been completed. Work with watershed councils, local governments and other DMAs to develop appropriate management practices and plans for controlling pollutants. Work with USDA agencies to leverage Farm Bill resources to implement priority best management practices in critical areas.		Completed Implementation plans that guide management practices, pollutant controls to meet load allocations in TMDLs. Facilitate projects that result in improvements in water quality.	Ongoing	Partial	WQ-10
2.6	Develop Implementation Ready TMDLs for the Mid-Coast basins.	Review and provide input to DEQ as TMDLs and BMPs are developed and approve completed TMDLs	Completed TMDLs issued as administrative orders that assign load allocations to pollutant sources in the basins.	6/13	Partial	
2.7	Implementation of load allocations or require TMDL implementation plans for all sources assigned load allocations.	Review and provide input to DEQ on Mid-Coast and North Coast Basin implementation plans	Implementation plans that meet load allocations or management measures identified in the TMDL/WQMP that meet load allocations.	2013	Partial	

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

Element 3: Underground Injection Control
DEQ contacts: Judy Johndohl
EPA contacts: Peter Contreras

Underground Injection Control Program

The Underground Injection Control (UIC) program protects drinking water sources and aquifers by providing oversight on the use of injection systems (dry wells, sumps, large onsite wastewater treatment systems, geothermal, aquifer storage and recovery (ASR), remediation injection, etc.) that discharge to the subsurface and may endanger groundwater quality. Federal regulation requires DEQ to keep an updated inventory of all injection wells and report them to the EPA annually. In Oregon, the majority of injection systems are associated with stormwater discharge, large onsite wastewater, aquifer remediation, and industrial process/wastewater. Injection systems must obtain approval from DEQ to operate under Authorization by Rule, a UIC-WPCF permit, or must be formally closed. DEQ staff review and approve applications of a variety of injection system types, provide technical assistance to private and public injection well owners, and work closely with municipalities in their development of stormwater management plans related to injection systems. As a delegated program under the Safe Drinking Water Act, injection systems are subject to EPA enforcement.

Environmental Outcome: These activities help to ensure that adequate controls are in place so that UICs do not result in water quality standards violations, which will contribute to water quality improvements as measured by water quality monitoring and other environmental data.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
3.1	Continue administration of UIC program by providing Authorization by Rule site reviews, developing WPCF permits and closures.	EPA will provide enforcement and compliance assistance as requested by and in close coordination with DEQ.	Wells inventoried and registered per year; Authorization by Rule determination process (e.g., requesting additional information, providing clarification on application issues, retrofits) will occur as needed. Issue 20 areawide UIC- WPCF Permits a year. 30 closures approved per year, including an average of 5 motor vehicle waste disposal wells per year or as they are located.	Ongoing	Partial	SDW-8, SDW-7b
3.2	Provide technical assistance and education and outreach to consultants,	EPA will provide inspector training opportunities; provide training/outreach	Outreach and education activities may include presentations, meetings and	Ongoing	Partial	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
	cities, municipalities and other public and private UIC owners.	to municipalities and other public and private UIC owners, as requested.	distribution of literature.			
3.3	Update the internal UIC database to align with EPA's UIC national database. Increase data flow through EPA's Exchange Network.	EPA will provide technical assistance to DEQ as needed to ensure database functionality.		Ongoing	Partial	
3.4	Provide UIC program approval package to EPA for redelegation from EPA to DEQ for program primacy.	EPA will review program delegation package in a timely manner.	Program approval package submitted to EPA includes and addresses the required program elements addressing program revisions for redelegation that results in program redelegation.	8/31/12	Partial	

Element 4: Groundwater Program
DEQ contact: Judy Johndohl
EPA contact: Eric Winiecki

Groundwater Program

The Groundwater Quality Protection Act of 1989 provides the framework for comprehensive groundwater management and protection in Oregon. This Act and the federal Safe Drinking Water Act establish the critical elements for enhancing and protecting Oregon's groundwater resource for its many beneficial uses. Over ninety percent of Oregon's available freshwater is stored beneath the earth's surface as groundwater. Approximately 70 percent of Oregon's people depend on groundwater for their daily water needs via private, public and industrial water wells.

Oregon focuses most of its groundwater protection activities in three sensitive groundwater areas called "Groundwater Management Areas"; one is located in the Lower Umatilla Basin, one in Northern Malheur County and another in the Southern Willamette Valley. Protection efforts in these management areas involve the implementation of groundwater action plans where the water quality has been degraded, beneficial uses are seriously impaired, and public health may be at risk in part from nonpoint source groundwater pollution. Oregon also provides technical assistance to communities and watershed councils engaged in groundwater pollution prevention efforts.

Environmental Outcome: Groundwater protection efforts will help to prevent the degradation of Oregon's groundwater resources and maintain or improve the quality of groundwater resources, as measured through the various groundwater monitoring efforts DEQ conducts around the state.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
4.1	Implement the Lower Umatilla Basin Groundwater Management Area Action Plan by focusing on agricultural, residential, commercial, industrial, municipal, and public water supply activities that will prevent and reduce nitrate contamination in groundwater.	EPA will provide technical support as needed.	Coordination - Meet with local stakeholders, Groundwater Management Committee, and local agencies to coordinate Action Plan activities. - Provide technical support. - Research BMPs and their effectiveness. Education and Outreach - Organize education and outreach efforts to increase awareness of groundwater vulnerability and BMPs, including participation at "outdoor schools" and farm fairs. - Maintain GWMA website. Monitoring and Data Analysis - Monitor groundwater quality at 32 domestic and irrigation wells to evaluate impacts and	Meet as needed; typically 2 meetings per year Ongoing Ongoing Annually Ongoing Bimonthly	Partial	

			effectiveness of Action Plan. - Complete groundwater nitrate trend analysis for entire GWM (including food processor sites) - Evaluate success of BMP awareness and implementation.	2013 Every four years		
4.2	Implement the Northern Malheur County Groundwater Management Area Action Plan by focusing on agricultural, residential, commercial, industrial, municipal and public water supply activities that will prevent and reduce nitrate contamination in groundwater.	EPA will provide technical support as needed.	<u>Coordination</u> - Meet with local stakeholders, Groundwater Management Committee, and local agencies to coordinate Action Plan activities. - Provide technical support. - Research BMPs and their effectiveness. <u>Education and Outreach</u> - Organize education and outreach efforts to increase awareness of groundwater vulnerability and BMP. <u>Monitoring and Data Analysis</u> - Monitor groundwater quality at 36 domestic and irrigation wells to evaluate impacts and effectiveness of Action Plan. - Complete groundwater nitrate trend analysis. - Evaluate success of BMP awareness and implementation.	Meet as needed; typically 2 meetings per year Ongoing Ongoing Annually Bimonthly 2013 Every four years	Partial	
4.3	Implement the Southern Willamette Valley Groundwater Management Area Action Plan by focusing on agricultural, residential, commercial, industrial, municipal and public water supply activities that will prevent and reduce nitrate contamination in groundwater.	EPA will provide technical support as needed.	<u>Coordination</u> - Meet with local stakeholders, Groundwater Management Committee, and local agencies to coordinate Action Plan activities. - Provide technical support. - Research BMPs and their effectiveness. <u>Education and Outreach</u> Organize education and outreach efforts to increase awareness of	3-4 SWV GWMA Committee meetings per year Ongoing Ongoing 2 demonstration projects per	Partial	

			groundwater vulnerability and BMPs, including 2 demonstration projects and 2 workshops. - Maintain GWMA website. <u>Monitoring and Data Analysis</u> - Monitor groundwater quality at 25 monitoring wells and 15 domestic wells to evaluate impacts and effectiveness of Action Plan. - Conduct nitrate well water screening events. - Evaluate success of BMP awareness and implementation.	biennium; 2 major outreach/education events per year Ongoing 4 times per year 10 events per biennium As scheduled		
4.4	Complete federal and state groundwater reporting requirements.		- Biennial Report to the legislature. - Groundwater component of 305(b) report.	12/30/12 As scheduled	Partial	
4.5	Participate in EPA-sponsored annual groundwater meetings and conferences as workload and resources allow.	EPA will provide timely notice and organization of meetings.	Meetings	As scheduled	Partial	

Element 5: WQ Permitting, Pretreatment and 401 Certifications

DEQ contact: Dennis Ades
EPA contact: Mike Lidgard

Industrial and Domestic Wastewater Permitting

DEQ's wastewater management program regulates and minimizes adverse impacts of pollution on Oregon's waters from point sources of pollution. The term "point source" generally refers to wastewater discharged into water or onto land through a pipe or a discernible channel. These point sources operate under the terms of a federal National Pollutant Discharge Elimination System (NPDES) or state Water Pollution Control Facilities (WPCF) wastewater discharge permit issued by DEQ.

DEQ has had authority for NPDES permit issuance since 1974. As a delegated program, DEQ's NPDES permitting activities are subject to EPA oversight. Effective implementation of the program is required for continued delegation of the water quality program and is essential to the continued receipt of federal program funds. To effectively protect water quality, DEQ must carry out five activities:

- Issue discharge permits that adequately evaluate and limit pollutant discharges to prevent an impact on receiving waters and the beneficial uses of those waters (drinking, swimming, fishing, aquatic habitat, etc.).
- Periodically inspect facilities and review monitoring results.
- Update and maintain EPA's PCS/ICIS database with timely and accurate permit and permit related data (DMRs, Compliance Schedules, Inspections, etc.).
- Take prompt and appropriate enforcement actions when violations occur.
- Give essential technical assistance for facility owners and operators to help assure ongoing compliance at minimum expense to permit holders.

DEQ currently manages about 5,600 water quality permits including 3,500 federal NPDES permits and 1,500 state WPCF permits. Achievement of permit program objectives requires targeted and effective implementation of water quality standards following a watershed approach. Program staff requires up-to-date tools and training to consistently develop and issue high quality permits statewide and ensure effective permit implementation. Targeted program implementation is based on source-specific and watershed-specific priorities. Integrated planning can be an effective strategy to respond to multiple mandates with limited resources. DEQ intends to work collaboratively with EPA to implement EPA's Integrated Planning Framework within the framework of the NPDES program.

Wastewater and stormwater program workload will expand in scope and complexity in the biennium. DEQ recently issued or will soon issue new pesticide, irrigation and gray water general permits and the administration of these permits will place additional demands on staff already tasked with renewal and administration of existing general permits. DEQ has also enhanced efforts to reduce the discharge of toxic pollutants from permitted sources into the environment. For example, implementation of the recently revised water quality criteria for human health (approved by EPA in October, 2011) and other changes to the permitting process now require more detailed wastewater monitoring and analysis of toxic pollutants from major sources. DEQ will continue to implement Oregon statutes and monitor and control persistent priority pollutants discharged from major municipal sources that are not currently addressed through the NPDES process. Industrial and municipal stormwater permits have also grown in complexity in the last biennium. Monitoring and controlling requirements of toxic and impairment pollutants has become increasingly necessary in the most recently issued permits. To be successful in these toxic pollutant reduction efforts, DEQ will work closely with permitted sources that must develop strategies to comply with more stringent water quality criteria.

Demand for program resources to develop and implement wastewater and stormwater permits has grown while permitting staff have declined by 11% in the last two years.

DEQ continues to improve the permitting process through development of guidance documents and management directives, permit template tools and training. DEQ has focused efforts on Blue Ribbon Committee recommendations of 2004 to focus on environmental results, program integrity and efficiency. Aligning these objectives with DEQ's focus on program integration at the watershed scale and reducing toxics will yield:

- Permits issued by watershed, for an improved emphasis on key water quality concerns and a more holistic approach to discharge effects on watersheds.
- Improved accountability including annual permit issuance plans and tracking and individual performance expectations.
- Timely review of compliance data and improved compliance inspections.

Pretreatment Program-Dennis Ades

Pretreatment regulations establish responsibilities and standards to control pollutants from industrial users that discharge wastewater to a collection system and publically owned treatment works. Toxic pollutants and other industrial contaminants may pass through or interfere with wastewater treatment processes or may contaminate sewage sludge. The POTW acts as the control authority for these industrial users and monitors the wastewater they discharge to determine whether they are in compliance with the pretreatment standards. DEQ oversees each of the 26 facilities in Oregon with a formal pretreatment program and also provides assistance to smaller facilities that are not required to have a pretreatment program but take additional measures to protect the collection system and treatment works and the environment.

Biosolids Program–Judy Johndohl

Biosolids are wastewater solids that have undergone sufficient treatment to make them safe for land application. These wastewater residuals are desirable fertilizers and soil conditioners. DEQ works with domestic wastewater treatment facilities to assure proper stabilization, application, management, and monitoring of solids on sites used to improve soil tilth and to grow a variety of crops. Biosolids applications are controlled by detailed site authorization letters that together with biosolids management plans, are linked directly to the Water Quality permits of wastewater treatment facilities.

Wastewater Reuse–Judy Johndohl

DEQ staff work with municipal and industrial wastewater facilities to permit the recycling of treated wastewater effluent and provide technical assistance to those facilities engaged in the practice of reuse. Wastewater reuse is a tool in the "tool box" for municipalities and potentially industrial wastewater dischargers as another option for managing their treated wastewater. Having additional "tools" provides these stakeholders with options that may be more economical and/or environmentally sound, and can be an additional source of water for non-drinking water practices. Most wastewater reuse occurs through land application to crops and golf courses, and there is increasing interest to reuse treated effluent for industrial and commercial applications. DEQ works with the Oregon Healthy Authority and Water Resources Department on the permitting of this practice.

401 Water Quality Certification–Steve Mrazik, Acting

Section 401 of the federal Clean Water Act requires that any federal license or permit to conduct an activity that may result in a discharge to waters of the State receive certification from DEQ that the activity complies with water quality requirements and standards before the activity is allowed. In order to provide a certification, DEQ reviews proposed project applications to dredge, fill, or otherwise alter a waterway or wetland to ensure that the projects will meet water quality program requirements. The federal relicensing of hydroelectric projects also requires a 401 water quality certification (WQC) from DEQ as a condition of the operating license of the facility.

For dredge and fill projects, DEQ issues approximately 150 individual WQCs per biennia that contain conditions that provide protective measures for water quality and beneficial uses. DEQ provides support for EPA reviews of 401 water quality certification program activities related to proposed dredge and fill projects. Additionally, DEQ provides a great deal of technical assistance throughout the permit process. DEQ also issues programmatic type WQCs that cover groups of activities with protective conditions in an effort to provide a streamlined approach to the regulatory process.

During the course of this PPA/PPG, EPA may allocate funds that could be used to enhance the state's 401 program. DEQ will work with EPA to identify any potential for

requesting specific funding from EPA to enhance 401 reviews, oversight and field reviews consistent with existing program objectives. EPA will notify DEQ of any potential funding opportunities and respond to any DEQ request for additional funding.

Environmental Outcome: These activities help to ensure that adequate controls are in place so that point source discharges, dredge and fill activities and the recertification of hydroelectric projects do not result in water quality standards violations and will contribute to water quality improvements as measured by water quality monitoring and other environmental data.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
5.1	Continue to issue and reissue NPDES and WPCF permits. There are approximately 1200 individual permittees in Oregon, including 75 NPDES majors and 294 NPDES minors.	Consistent with the compliance schedule settlement agreement, EPA will review DEQ NPDES permits which contain compliance schedules. EPA review of these permits will occur prior to public notice. EPA may also review permits during the public notice process and proposed final permits consistent with the Memorandum of Agreement. EPA's goal is to average one permit review per month during this period. EPA's designee for reviewing draft permits is the NPDES Karen Burgess.	Develop and implement a permit issuance plan by February of each year that identifies specific NPDES permits intended to be reissued during the upcoming year.		Partial	WQ-12 WQ-19a
5.2	Develop and implement a watershed based permit issuance plan.		DEQ's goal is to have 95 percent of permits issued on a watershed cycle.		Partial	WQ-12
	Implement revised water quality criteria for human health in the NPDES program.	Technical Assistance (TA); EPA timely review and comment on draft policies and guidance.	Major NPDES wastewater sources will begin to monitor wastewater for effluent constituents using revised Table 40 water quality criteria for human health. DEQ will evaluate effluent data for toxic pollutants that may contribute or cause an exceedance of water quality criteria using a revised and comprehensive methodology.	Ongoing		

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
5.3	Develop state-wide permit policies, guidance and tools to make the permits program more consistent, effective and efficient. This includes identifying and developing experts on various permit subjects such as mixing zones and reasonable potential analysis to improve permit quality and consistency.	Technical Assistance (TA); EPA timely review and comment on draft policies and guidance; and other program support as needed.	Develop Internal Management Directives for: - Revise Sanitary Sewer Overflow IMD Finalize revisions to permit templates. Continue to develop and implement training curriculum. Conduct permit writer's workshop. Develop fee rulemakings.	06/30/14 Biannual 10/31/12	Partial	
5.4	Permits shall include water-quality based effluent limits (WQBELs) as needed.	Provide permit review and oversight as appropriate.	WQBELs are included in permits where reasonable potential is found. Fact Sheets document reasonable potential and WQBELs.	Ongoing	Partial	
5.5	Implement State stormwater program.		- Renew One Phase I permit. - Renew 16 phase II permits. - Renew 1200 A nonmetallic minerals and asphalt and concrete batch plant permits. - Implement 1200COLS; 1200C1200A and 1200Z permits. - Work with local govt. agencies to assist DEQ in program implementation.	06/30/14	Partial	WQ- 13a WQ- 13b WQ-13c
5.6	Coordinate State permit actions with interested tribal agencies as appropriate.	Liaison role as needed.	Improved relations with affected tribes.	06/30/14	Partial	
5.7	DEQ will conduct wastewater reuse activities.	EPA will provide TA; timely program support as needed.	Review recycled water use plans and provide technical assistance and program oversight from HQ and regional offices.	Ongoing	Partial	
5.8	DEQ will conduct biosolids/sewage sludge activities.	EPA will provide TA; timely program support as needed.	- Review biosolids management plans during permit renewal or as needed. - Issue land application site authorization letters as needed.	6/30/12	Partial	

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
			- Provide TA and program oversight from each DEQ regional office and HQ.	6/30/12		
5.9	Implement the Pretreatment Program.	EPA will provide TA; timely program support as needed.	- DEQ's pretreatment work plan includes: - Oversee development of new programs as necessary, - Provide technical assistance and categorical determinations, - Review/approve a large and growing number program modifications, - Update pretreatment program policies, - Update administrative records.		Partial	WQ-14a WQ-14b
5.10	DEQ will participate in Government Performance and Results Act (GPRA) reporting.	EPA will provide a list of items to be reported under the NPDES permit program by July 1 of each year along with the due dates for each item.	DEQ will provide information required under the GPRA (resources permitting).	6/30/12	Partial	PAMs are under GPRA

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

Element 6: Compliance Assurance and Enforcement
DEQ contact: Dennis Ades
EPA contact: Kim Ogle

Site inspections, compliance assurance and enforcement are key elements of the NPDES permitting program. DEQ and EPA will collaborate to implement Clean Water Act Action Plan implementation policies in Oregon. DEQ will continue to improve permit compliance reporting and public accountability through improvements in electronic reporting system and automated compliance evaluations. DEQ and EPA will coordinate NPDES permitting, compliance and enforcement activities to efficiently achieve program priorities and desired outcomes.

Compliance inspections for major and non-major (minor) sources are scheduled to facilitate permit issuance on a watershed cycle. Offsite evaluations and targeted inspections of other permitted sources are based on environmental outcomes and other criteria; sources with compliance schedules, mutual agreement and orders, or technical assistance needs are prioritized. Enforcement actions follow guidance directives to ensure statewide consistency.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
6.1	DEQ will conduct compliance assistance and compliance assurance activities as appropriate (see additional detail below).	TA and support as needed.	- TA provided to permittees. - DMRs from individual permittees reviewed.	Ongoing	Partial .	
6.2	DEQ will respond to significant public complaints.	TA and support as needed.	- Prompt response to complaints that involve potential significant threats to public health and the environment. - Investigate spills. - Enforcement actions as warranted.	Ongoing	Partial	
6.3	DEQ will inspect (NPDES) facilities consistent with EPA's Compliance Monitoring Strategy.	As resources allow, Region may schedule joint and/or oversight inspections with DEQ.	- DEQ will conduct inspections at major facilities every other year. Major facilities that qualify for offsite evaluations will be inspected once each five year permit cycle. - DEQ will conduct inspections at non-major facilities once every five years. DEQ will target additional NPDES compliance efforts in targeted watersheds and environmental outcomes or NPDES compliance history.	Ongoing	Partial .	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
			Stormwater: - Inspect 10% of industrial stormwater facilities per year. - Inspect 10% of construction sites larger than 5 acres per year - Inspect 5% of construction sites less than 5 acres per year. - Conduct compliance activities on Phase I and Phase II MS4 permittees. -DEQ will participate in EPA audits of major MS4 programs in Oregon. Pretreatment: - DEQ will audit three approved active pretreatment programs each year. - During each audit an oversight inspection will be conducted of up to two Industrial Users to the POTW. - DEQ will conduct Pretreatment Compliance Inspections based on annual report results.			
6.4	DEQ will pursue timely and appropriate enforcement actions as warranted.	TA and program support as needed.	Formal enforcement actions taken pursuant to state law and rule.	Ongoing	Partial	
6.5	DEQ will participate in EPA collaborative planning and enforcement initiatives as resources allow.	TA and program support. If needed, EPA will draft Compliance Assurance Principles Agreement Revisions.	- NPDES MOA and Compliance Assurance Principles Agreement revisions as needed. EPA will coordinate internally amongst permitting and compliance groups. - Joint planning and enforcement case coordination.	Ongoing	Partial	

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
6.6	DEQ will report on its enforcement activities.		DEQ will submit summary level data on enforcement annually, or as requested by EPA.	Ongoing	Partial	
6.7	DEQ will work jointly with EPA to develop an annual integrated NPDES work plan as defined in the CWA Action Plan and subsequent guidance.	EPA will work jointly with DEQ to develop an annual integrated NPDES work plan as defined in the CWA Action Plan and subsequent guidance.	Annual integrated work plan to address integrated NPDES approach as defined in the CWA Action Plan and subsequent guidance will be developed by EPA and DEQ by October 31st of each year.	Annually by October 31st of each year	Partial	
6.8	DEQ will address areas of improvement and areas that need attention as identified in the 2011 State Review Framework report.	EPA will provide review and input to assist DEQ in addressing SRF findings.	Outputs per each relevant SRF finding.	Timelines per SRF report	Partial	
6.9	DEQ will complete the annual review of DEQ-generated compliance and enforcement data in this PPA/PPG period to maintain program consistency until the next SRF review in 2015.	EPA will complete the annual review of EPA-generated compliance and enforcement data.	Verified Data	January of each year		

Element 7: WQ Data Analysis, Management and Monitoring

DEQ contact: Gene Foster (data) and Aaron Borisenko (monitoring)
EPA contact: Jeannine Brown (data) and Gretchen Hayslip (monitoring)

Water Quality Data Management

Water quality data management is an integral element for the operation of the Water Quality Program. There are a variety of data management systems used by various subprograms in the Water Quality Program including the NPDES, TMDL, NPS, and Monitoring subprograms, as well as the Laboratory Environmental Assessment Division (LEAD). The NPDES data stream is foundational to DEQ's management and EPA's oversight of the Oregon Water Quality program. This performance period will see the Oregon program's conversion from reporting to PCS to reporting to ICIS-NPDES. Acquiring an Oregon electronic discharge Monitoring Report (eDMR) submission system will also be necessary in order to prepare for several upcoming rules and changing NPDES reporting requirements.

Water Quality Data Analysis

DEQ has made the development of Watershed Approach Basin Reports a priority in order to guide the agency's efforts to help protect, improve and enhance the quality of Oregon waterways. Each report pulls together available water quality and other environmental information into a single document to produce a basin-based water quality status and action plan. The reports describe water quality conditions and include recommendations for actions that DEQ and others who are interested in these basins can take to improve water quality.

To produce these basin documents, DEQ follows a "watershed approach" that looks at all factors influencing water quality in a certain region. This approach combines the expertise of DEQ's 17 water quality sub-programs with a commitment to working with local stakeholders (communities, watershed councils and conservation districts) to find smart solutions to local water quality issues. It also includes working with applicable local, state and federal agencies on these issues. To support the Watershed Approach DEQ HQ, Region, and LEAD staff analyze water quality data for comparison to water quality standards, beneficial use impairment, and trends. This information is used to support the watershed based planning process.

Another area of work involves supporting ODA in the implementation of the Agriculture Water Quality Management Program and biennial reviews of area plans and rules. Basin coordinators and HQ staff analyze existing water quality data and provide a summary of the analysis to ODA and Local Advisory Committees for biennial reviews. DEQ will compare water quality data to water quality standards and analyze the water quality data for trends. The purpose of DEQ participation is to ensure that updated water quality information is considered during biennial reviews. Basin coordinators and HQ staff will also be involved in the design and application of ODA's effectiveness monitoring of area plans. When ODA is in the planning stages to develop effectiveness monitoring studies to evaluate how well area plans and rules are meeting TMDL load allocations, DEQ will assist in the formulation of the goals and objectives (the questions to be answered) of the monitoring study. The purpose of DEQ's participation is to ensure that the study is focused on outcomes that are directly related to load allocation targets and to ensure that the data collected and the analysis proposed is sufficient to answer these questions.

Water Quality Monitoring

Water quality monitoring and assessment provides the foundation for effective water quality management as well as the basis for tracking violations. Water quality monitoring programs provide information on the status and trends of water quality in Oregon and identify the causes of impairment. Monitoring is conducted to determine if water quality supports beneficial uses, to understand if standards are being met and to identify new water quality problems. Streams that do not meet water quality standards are placed on the 303(d) list and will have TMDLs developed for them. In order to develop TMDLs, studies must be conducted to determine the sources and loads of pollutants affecting the

water body and how those vary over time and space. DEQ is engaged in several other types of monitoring studies, including the following:

- Studies to determine the relationship between water quality, habitat conditions and biological condition.
- Studies to determine threats to human and ecological health from toxic compounds.
- Studies to identify threats to groundwater.

LEAD also collects water samples and analyzes the results to support other DEQ programs that respond to inquiries from the public. In addition, the laboratory certifies environmental laboratories in cooperation with ODA and OHA under the National Laboratory Accreditation Program (NELAP). The Laboratory works with other agencies to monitor Oregon's progress under the Oregon Plan for Salmon and Watersheds and provides equipment and technical support to watershed councils for water quality monitoring.

Water quality monitoring is necessary to understand how well Oregon is protecting the uses of its water. DEQ monitors water quality by collecting water quality samples, and then performing chemical analysis and statistical analysis of the resulting data. The Water Quality Program is responsible for monitoring and assessing Oregon's 52,000, miles of rivers, 400,000 acres of lakes, 56,000 acres of tidal wetlands, 360 miles of coastal ocean and 206 square miles of estuaries, harbors and bays. DEQ augments its water quality data by using monitoring data from a wide variety of sources, including watershed councils and federal agencies. However, all data must first be reviewed to ensure proper quality control protocols were used.

Environmental Outcome: Effective management and analysis of water quality data provides a means for tracking and assessing the effectiveness of water quality protection and improvement efforts, supporting an adaptive management approach that will result in water quality improvements as measured through water quality monitoring and the other environmental data.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
7.1	DEQ will participate in EPA's conversion of Core Data from PCS to ICIS, and implement sustainable processes to maintain accurate data transfers from State data systems to ICIS.	EPA will assist with determining ICIS coding solutions to problem reporting areas. EPA R10 will support and assist with acquiring funding from EPA HQ.	- Convert PCS WENDB data elements to ICIS RIDE data elements. - Continued complete and timely data transfers to ICIS through batch upload routines and EPA's ICIS interface screens.	As scheduled by EPA	Partial	
7.2	DEQ will purchase or develop an Electronic Discharge Monitoring Report application and then work toward implementation.	EPA R10 will support and assist with acquiring funding from EPA HQ.	- The capability for individual sources to submit DMRs electronically to Oregon DEQ. - The capability to process DMRs from non-major individual sources and input the data into ICIS.	Ongoing		
7.3	Ambient Monitoring Network -DEQ will continue to monitor approximately 130 ambient water quality station 6 times annually throughout Oregon.	TA; consultation	- Continue entering data into the database. - The Oregon Water Quality Index (OWQI) will continue to be updated	1/13 1/14	Partial	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
	These stations provide status and trends data for understanding water quality.		annually. Annual reports will be prepared on water quality trends and indicators. - Data will be used to support the 303(d) assessment process. - Data will be used for the 305(b)/Watershed Assessments.			
7.4	Collect water quality data to support TMDL development.		TMDL developed on schedule and supported by adequate data.	Ongoing	Partial	
7.5	Conduct 31 site visits in Oregon as part of the National Lakes Assessment.		- Provide data for upload to EPA management system. - Use information in the narrative section of the 305(b) report/Watershed Assessments when available.	10/30/2012	Partial	
7.6	Collect water quality, biological data and physical habitat data at 30 sites in an Oregon Basin.		Water quality, biological data and physical habitat available for use in a basin assessment	January 2014	YES	
7.7	Conduct a regional monitoring summit to coordinate and capture data collected by external groups.		- Develop a regional monitoring map. - Develop a regional list of active monitoring groups. - Develop a list of water quality indicators that are being collected. - Assist with building the capacity and focus of the monitoring groups.	2/13	YES	
7.8	Revise SOP for evaluating reference sites to incorporate new GIS information.		- Document outlining process for evaluating reference sites.	4/14	Partial	
7.9	Conduct analysis of water quality data for Watershed Approach Basin Reports and Ag Area Plan & Rule biennial reviews.	TA and consultation	Watershed Approach Basin Reports for three basins per year: South Coast, Clackamas/Sandy, Powder/Burnt Basins	6/30/2013	Partial	

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

Element 8: Management of Nonpoint Sources of Pollution
DEQ contact: Gene Foster
EPA contact: David Croxton

Section 319 of the federal Clean Water Act requires states to have nonpoint source (NPS) management programs based on assessments of the amounts and origins of NPS pollution in the state. The Coastal Zone Act Reauthorization Amendments required development of additional management measures for NPS within the coastal zone. Nonpoint source pollution comes from numerous diffuse sources such as runoff from roads, forestry operations, on-site disposal, farms and construction sites. This type of pollution is understood to be the largest source of water quality impairment in Oregon, as well as the rest of the United States. Federal grants cover the majority of cost for Oregon's NPS program, which protects and restores both surface water and groundwater. During the 2012-2014 biennium, DEQ expects to provide close to $2 million to local organizations for nonpoint source projects such as public education and watershed restoration. DEQ's NPS program also includes staff, which performs the following activities:

- Characterization of NPS problems/concerns.
- Monitoring to support and determine effectiveness of BMP programs.
- Best management practices development/implementation.
- Coordination between stakeholders.
- Liaison support staff to other state and federal agencies.
- Restoration activities.
- Development and modeling for NPS TMDLs.
- Development of UAA/SSC as related to NPS activities; and
- Public education.

Environmental Outcome: Active management and control of nonpoint sources of pollution will reduce the amount of nonpoint source pollution getting into Oregon's waterways, resulting in water quality improvements as measured by water quality data and measures in WQMPs and TMDL implementation plans.

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
8.1	Distribute 319 grants to fund project proposals to Oregon's priority basins based on TMDL development and implementation, drinking water source areas and GWMAs.	Assist with criteria updates as needed. Target Oregon's priority watersheds for funding. Provide technical support and review of basin plans based on TMDL development and implementation and the 9-Key Elements for watershed based planning.	Solicit and select projects.	05/13 and 05/14	YES	
8.2	Prepare an annual report of NPS program accomplishments.	Review and take final action on annual report.	NPS Annual Report	03/13 and 03/14	YES	

#	DEQ Commitment	EPA Commitment	Outputs	Target Date	Supported by PPG?	EPA PAM
8.3	Determine with EPA available NPS Success Stories documenting either water quality progress or full restoration under PAM.	Provide assistance in development of NPS Success Stories.	NPS Success Stories	9/12 and 9/13	YES	SP-12 WQ-10
8.4	Enter GRTS 319 mandated elements to 319 project tracking data by national deadlines, including load reductions as available.	Provide technical assistance for GRTS-related function.	Data reflecting progress and status of 319 implementation.	2/13, 2/14 load reduction, other GRTS data (National GRTS reporting deadlines	YES	WQ-9a WQ-9b WQ-9c
8.5	Work with EPA to review TMDLs and other basins plans for meeting EPA's 9 Key Element watershed based planning guidance.	Provide technical support and review of basin plans based on TMDL development and implementation and the 9 Key Elements watershed guidance.	Develop strategies to leverage current resources for development of a watershed framework that integrates TMDLs and NPS Programs and is consistent with EPAs 9 Key Elements watershed plan model. Inform DEQ HQ and Regional staff about the Watershed Framework and the linkages between the various DEQ Water Quality subprograms. Develop conceptual model for management practice reporting system for implementation monitoring of WQMPs.	6/13	YES	
8.6	Develop BMPs and other measures/rules to address NPS pollution from forestry, new developments, and on-site disposal within the Coastal Zone.	Provide input to and assist DEQ during development of BMPs and other measures for the Coastal Zone.	Outstanding conditions related to Oregon's Coastal NPS Pollution Control Plan are addressed.	Ongoing	Partial	
8.7	Develop Agency Toxics Reduction Strategy.		A toxics reduction strategy that incorporates air, land and water.	06/30/13	YES	
8.8	Prepare an update to the 2000 Oregon NPS Management Plan.	Provide guidance for review and approve the Oregon NPS Plan Update.	Complete an updated Oregon NPS Management Plan.	(Draft) NPS Plan Update 6/13, (Final) NPS Plan update 9/13	YES	

Element 9: Source Water Protection

DEQ contacts: Gene Foster
EPA contacts: Susan Eastman

Source Water Protection Program

The Safe Drinking Water Act Amendments (SDWA) of 1996 provided resources to states to focus more attention on the source areas for public water systems instead of solely relying upon treatment to achieve clean drinking water. Approximately 75% of Oregon's citizens get their drinking water from public water systems. To address the assessment requirements of the SDWA, the Department of Human Services – Health Services (DHS), now Oregon Health Authority, teamed up with the Department of Environmental Quality (DEQ). The two agencies have established a Memorandum of Understanding to coordinate their work.

The two agencies worked closely in 1998 and 1999 with a citizen's advisory committee consisting of nine public water system managers and 11 interest groups and agency representatives to develop the Oregon program. DEQ and OHA then shared the responsibilities to implement the program that included computer database development, Geographic Information System (GIS) development, technical assistance, contamination source inventories, surface water delineations, groundwater delineations, and susceptibility analyses. Oregon completed the source water assessments in June 2005 for 142 surface water systems, 948 ground water systems (community and non-transient non-community), as well as 1040 transient non-community systems.

In recognition of the role of usable drinking water as a prerequisite for human health and future economic growth, OHA and DEQ have now shifted resources into providing technical assistance to public water systems and communities to encourage drinking water protection. This is being done through the use of site-specific information derived from the assessments, the development of outreach programs and tools, the integration of drinking water priorities with other agency programs, and working with local planning authorities to integrate drinking water protection areas into land use planning decisions."

EPA has set out a two-part “Strategic Target” for the source water protection program, which the EPA regional offices are expected to meet:

- Strategic Target SP-4a: “By 2012, 50% of the community water systems will achieve minimized risk to public health (minimized risk is achieved by substantial implementation, as determined by the State, of source water protection actions in a source water protection strategy).”
- Strategic Target SP-4b: “By 2012, 57% of the population served by community water systems will receive drinking water that minimizes risk to public health (minimized risk is achieved by substantial implementation, as determined by the State, of source water protection actions in a source water protection strategy).”

EPA, with the support of DEQ’s Source Water Protection Program, is meeting its 2012 NPM targets.

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

Element 10: Clean Water State Revolving Fund Program

DEQ contacts: Judy Johndohl
EPA contacts: Paula vanHaagen

Clean Water State Revolving Fund (CWSRF) Program

In 1987 Congress established the CWSRF program to replace the Construction Grants program that provided direct grants to communities to complete sewer infrastructure projects. EPA oversees the CWSRF loan program and each state and Puerto Rico to implement the program. The program makes low-interest loans available to address water quality. Congress continues to appropriate funds to EPA for the purpose of capitalizing the CWSRF program each year. Each state must contribute a minimum matching amount of 20 percent of its federal grant to the program annually.

DEQ administers the CWSRF program in Oregon and provides low-cost loans for the planning, design and construction of a variety of projects that address water quality improvement and protection. Oregon laws allow the use of these funds to public agencies only including cities, counties, sanitary districts, soil and water conservation districts, irrigation districts, school districts, and various special districts. A majority of the loans are provided to cities that address wastewater treatment needs and thus help to meet the state's water quality standards. These standards are necessary to protect beneficial uses such as recreation, fish habitat, boating, irrigation and drinking water. While continuing to serve traditional municipal wastewater needs, the CWSRF program also provides loans and incentives to address nonpoint source water pollution and is integrating sustainable approaches to water quality improvement and protection. Each type of loan DEQ offers has different financial terms, and is intended to provide communities with choices when financing water quality improvements. In 2010, DEQ hired two regional engineers who work directly with communities to ascertain sustainable wastewater infrastructure needs and incorporate feasible approaches, and to identify available financial options. DEQ also continues to work with other funding agencies in Oregon to assist communities by identifying viable financing options for eligible projects.

Each year Oregon's program makes approximately $50 million available statewide for water quality improvements. Oregon's capitalization grant in 2012 is projected to provide approximately $17 million of the $144 million available funds. To date, DEQ has provided 308 loans to communities totaling more than $952 million. This includes about $44.3 million provided to 13 projects under the American Recovery and Reinvestment Act of 2009.

DEQ is conducting a comprehensive administrative rule review for the CWSRF program to: review program approaches to funding projects; ensure project ranking criteria align with water quality program goals; and ensure long term financial integrity of the program. The rulemaking process includes obtaining recommendations from an advisory committee, drafting proposed revisions for public review and comment, and presenting proposed rule revisions for adoption to the Oregon Environmental Quality Commission. The target completion date for the project is Dec. 2012.

Although EPA oversees the CWSRF program, federal regulations allow states broad flexibility in establishing and implementing their revolving funds. EPA works closely with each state in providing technical assistance and oversight to ensure consistency with federal regulations. DEQ and EPA Region 10 maintain a mutual agreement to operate the program in Oregon which stipulates the procedures and expectations of the program. EPA's regional Oregon CWSRF coordinator and DEQ's CWSRF program staff work closely together in support of Oregon's program. EPA evaluates Oregon's financial and program procedures each year through a site visit and annual report. DEQ provides EPA with an intended plan for the state's use of its fund annually, and also provides an annual report to EPA on the program's accomplishments during the state fiscal year. DEQ will report on environmental outcomes by completing an environmental benefits evaluation for each project in EPA's environmental benefits system for the CWSRF.

APPENDIX C: WATER QUALITY PROGRAM COMPONENT

What is a Program Activity Measure (PAM)?

From the "National Water Program Guidance Appendix: FY 2006 Final Measures and Commitments"

"PAMs address activities to be implemented by EPA Headquarters, EPA Regional Offices, or by States/Tribes that administer national programs. They are the basis for monitoring progress in implementing programs to accomplish the environmental improvements described in the new Strategic plan."

In April of 2005, the National Water Program published Guidance describing strategies for meeting the water related goals established in the Environmental Protection Agency Strategic Plan and defining the measures to be used to assess progress in meeting the goals in the Plan in FY 2008. Some of the measures included "targets," or increments of progress that might be accomplished under the measures in FY 2008.

The Guidance includes an Appendix that identifies the specific measures that support each water subobjective Plan. The Appendix includes all measures related to water programs, including the environmental/public health measures state in the EPA Strategic Plan (i.e. subobjectives and strategic targets) and the measures of activity in a range of program areas that support each subobjective (i.e. Program Activity Measures or PAMs).

What PAMs apply to the PPA?

The matrix has a column identifying the EPA PAMs. These have been suggested by the EPA program managers as appropriate.

Where can I go for additional information regarding PAMs?

http://www.epa.gov/water/waterplan/documents/05guidance.html